

AREA CODE 303
PHONE 220-7772

FAX
220-7773

National Fuel Corporation

7979 EAST TUFTS AVENUE PARKWAY, SUITE 815
DENVER, COLORADO 80237-2843



May 20, 2005

To: Utah Division of Oil Gas & Mining
P.O. Box 145801
Salt Lake City 84114-5801

Re: ***REQUEST FOR EXCEPTION TO RULE R643-11***
National Fuel Corp. APD - Horse Point State #14-28
Sec. 28-T15S-R23E (Horse Point Area)
Uintah County, Utah

Dear Ms. Whitney:

This letter is sent to request an exception to Rule R649-3-11 for the subject well. National Fuel Corporation chose the subsurface target from seismic data and believes that this location offers the best opportunity for a successful well. National Fuel Corporation is the only owner within a 460' radius of the planned wellbore.

We believe the proposed location complies with other well location requirements and we respectfully request that our proposed exception to R649-3-11 be granted. Please feel free to call me at (970) 260-8128 if you have additional concerns.

Yours truly,

Andrew Busch
Vice President
NATIONAL FUEL CORPORATION

001

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

 AMENDED REPORT ☐
 (highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: ML-43183	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
8. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: National Fuel Corporation				9. WELL NAME and NUMBER: NFC State Duncan #14-28	
3. ADDRESS OF OPERATOR: 7979 E. Tufts Ave. #815 CITY Denver STATE Co ZIP 80237			PHONE NUMBER: (303) 220-7772		
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 591' FSL, 710' FWL AT PROPOSED PRODUCING ZONE: 731' FSL, 1450' FWL				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 28 15S 23E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 53.4 miles southeast of Ouray, Utah				12. COUNTY: Uintah	
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) surface 710', subsurface 1200'				17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 320	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) none				20. BOND DESCRIPTION: Statewide Drig. Bond #04127314	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): ungraded 7724', graded 7722.4'				23. ESTIMATED DURATION: 25 Days	
22. APPROXIMATE DATE WORK WILL START: 7/1/2005					

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
17 1/2"	13 3/8	H-40	48#	150	Class G	181 sx 1.15 cu. ft/sk	15.8 ppg
12 1/4"	9 5/8	J-55	36#	1,300	Class G	505 sx 1.61 cu. ft/sk	14.2 ppg
8 3/4"	4 1/2	N-80	11.6#	8,754	50/50 poz	1740 sx 1.26 cu. ft/sk	14.2 ppg

25.

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|---|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input checked="" type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) **Andrew Busch**TITLE **V.P. of Operations**

SIGNATURE _____

DATE **5/20/2005**

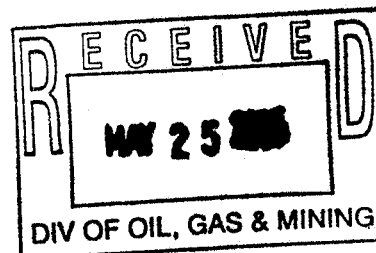
(This space for State use only)

API NUMBER ASSIGNED: **43-047-36752**

APPROVAL:

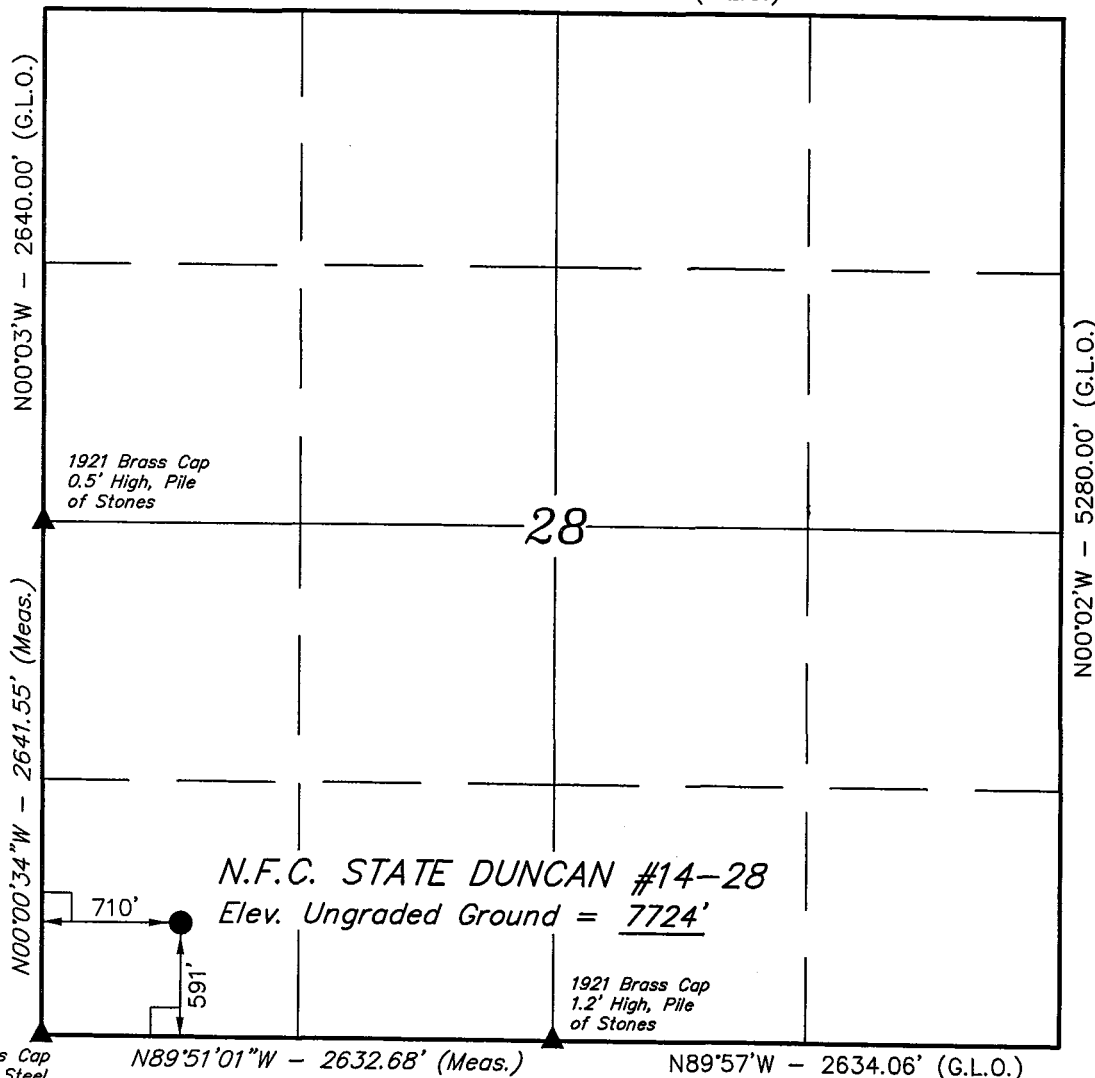
(11/2001)

Approved by the
Utah Division of
Oil, Gas and Mining
 (See Instructions on Reverse Side)
 Date: **08-25-05**
 By: *[Signature]*



T15S, R23E, S.L.B.&M.

N89°57'W - 5270.76' (G.L.O.)



LEGEND:

- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)
 LATITUDE = 39°28'42.49" (39.478469)
 LONGITUDE = 109°21'16.31" (109.354531)
 (AUTONOMOUS NAD 27)
 LATITUDE = 39°28'42.60" (39.478500)
 LONGITUDE = 109°21'13.88" (109.353856)

NATIONAL FUEL CORPORATION

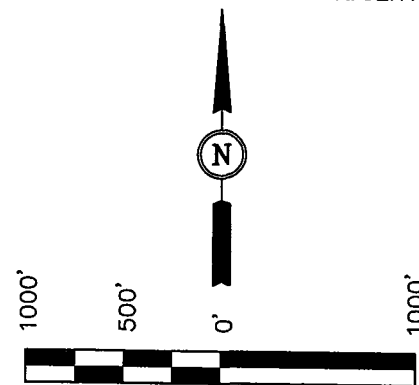
Well location, N.F.C. STATE DUNCAN #14-28,
 located as shown in the SW 1/4 SW 1/4 of
 Section 29, T15S, R23E, S.L.B.&M. Uintah
 County, Utah.

BASIS OF ELEVATION

HORN TRIANGULATION STATION LOCATED IN THE SE 1/4 OF
 SECTION 26, T15S, R23E, S.L.B.&M. TAKEN FROM THE P R
 SPRING QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC
 MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE
 INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS
 BEING 8200 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
 FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
 SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
 BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 05-05-05	DATE DRAWN: 05-09-05
PARTY J.W. S.W. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE NATIONAL FUEL CORPORATION	

**Exception Letter
And
Archaeological Study
for the proposed
National Fuel Corporation State Duncan # 14-28**

RECEIVED

JUN 03 2005

DIV. OF OIL, GAS & MINING



PROPOSAL

FOR



DUNCAN STATE #14-28

FROM SURFACE LOCATION:

UNITAH COUNTY, UTAH

WELL FILE: DRAFT

June 2, 2005

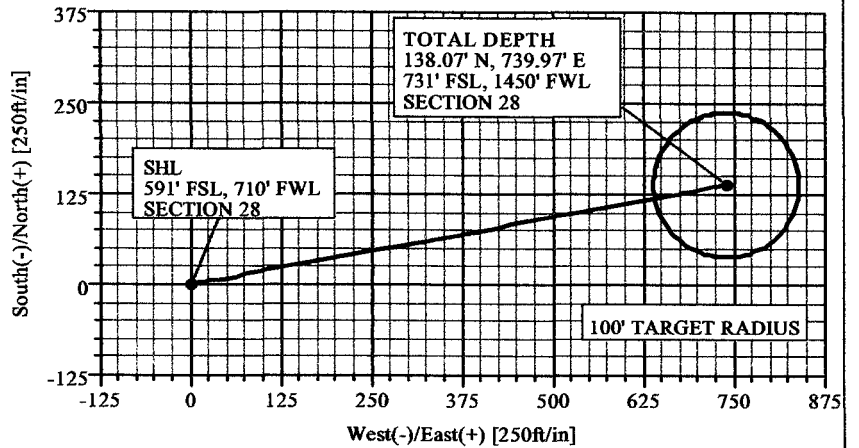
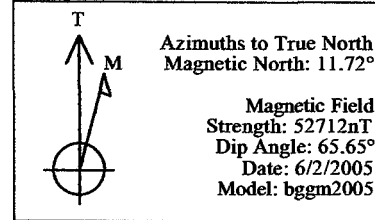
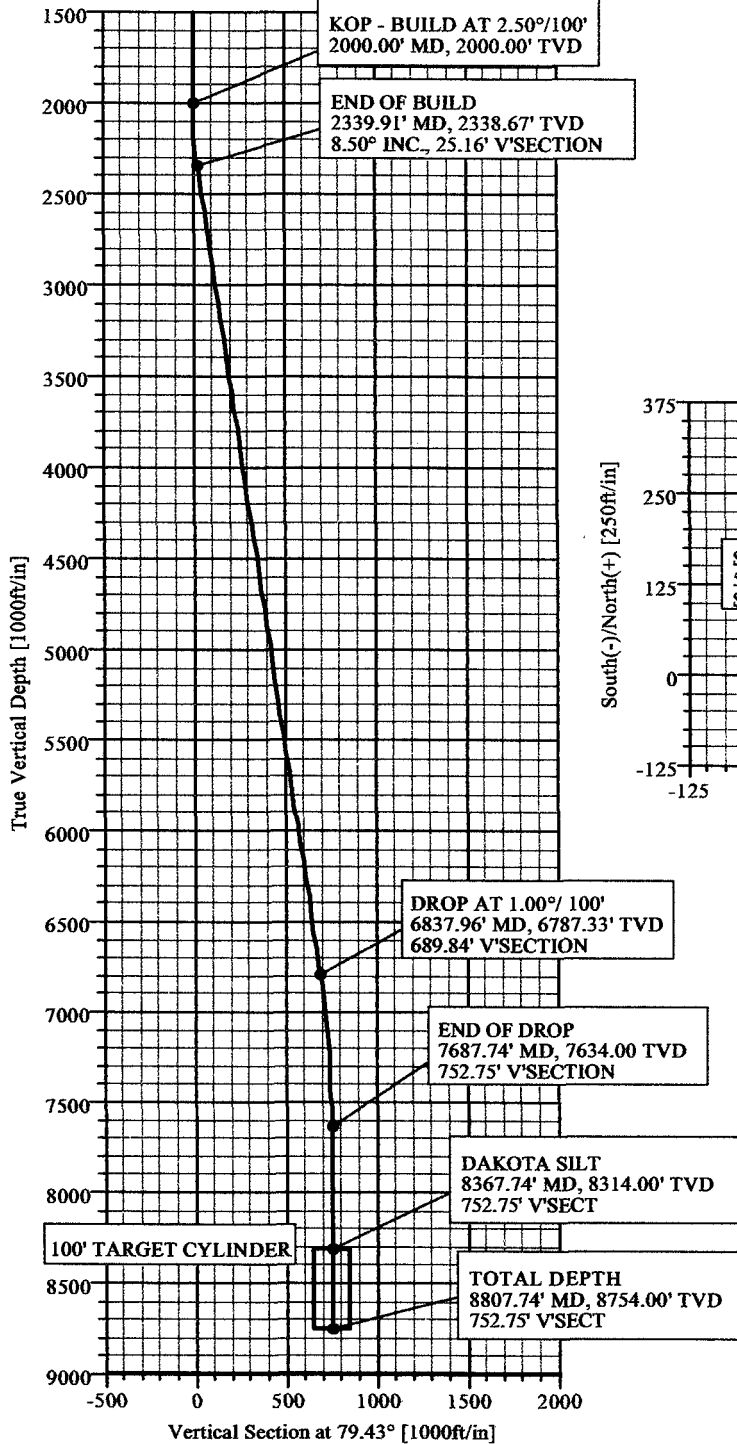
PRECISION ENERGY SERVICES USA, INC.
DRILLING & EVALUATION
7090 Barton Drive
Casper, Wyoming 82604
Phone: (307) 577-8875 Fax: (307) 577-9182



DUNCAN STATE #14-28
SEC 28 T15S R23E
591' FSL, 710' FEL
UNITAH COUNTY, UTAH

SECTION DATA

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	79.43	0.00	0.00	0.00	0.00	0.00	0.00	
2	2000.00	0.00	79.43	2000.00	0.00	0.00	0.00	0.00	0.00	KOP
3	2339.91	8.50	79.43	2338.67	4.61	24.73	2.50	79.43	25.16	EOB
4	6837.96	8.50	79.43	6787.33	126.53	678.14	0.00	0.00	689.84	DROP
5	7687.74	0.00	79.43	7634.00	138.07	739.97	1.00	180.00	752.75	EOD
6	8807.74	0.00	79.43	8754.00	138.07	739.97	0.00	79.43	752.75	TD



DRILLING & EVALUATION SERVICES

COMPANY: NATIONAL FUEL CORPORATION

WELL NAME: DUNCAN STATE #14-28
LOCATION: UNITAH COUNTY, UTAH
FILE: DRAFT
PROPOSAL/COMPLETION: PROPOSAL
DATE: JUNE 2/05
PREPARED BY: RDW

PRECISION ENERGY SERVICES

Client : NATIONAL FUEL CORPORATION
Well Name : DUNCAN STATE #14-28
Location : UNITAH COUNTY, UTAH

Page : 1 of 3
Date : 6/2/2005
File : DRAFT

Gr Elevation : 7722.00
Vertical Section Calculated Along Azimuth 79.43°
All Bearings Are Along True North

MD ft	Inc deg	Azi deg	TVD ft	North ft	East ft	V'Sect ft	D'Leg °/100	Build °/100	Turn °/100
KOP - BUILD AT 2.50°/ 100'									
2000.00	0.00	79.43	2000.00	0.00	0.00	0.00	0.00	0.00	0.00
2100.00	2.50	79.43	2099.97	0.40	2.14	2.18	2.50	2.50	0.00
2200.00	5.00	79.43	2199.75	1.60	8.57	8.72	2.50	2.50	0.00
2300.00	7.50	79.43	2299.14	3.60	19.27	19.61	2.50	2.50	0.00
END OF BUILD									
2339.91	8.50	79.43	2338.67	4.61	24.73	25.16	2.50	2.50	0.00
2400.00	8.50	79.43	2398.10	6.24	33.46	34.04	0.00	0.00	0.00
MESAVERDE									
2467.65	8.50	79.43	2465.00	8.08	43.29	44.04	0.00	0.00	0.00
2500.00	8.50	79.43	2497.00	8.95	47.99	48.82	0.00	0.00	0.00
2600.00	8.50	79.43	2595.90	11.66	62.52	63.59	0.00	0.00	0.00
2700.00	8.50	79.43	2694.80	14.37	77.04	78.37	0.00	0.00	0.00
2800.00	8.50	79.43	2793.70	17.09	91.57	93.15	0.00	0.00	0.00
2900.00	8.50	79.43	2892.61	19.80	106.09	107.93	0.00	0.00	0.00
3000.00	8.50	79.43	2991.51	22.51	120.62	122.70	0.00	0.00	0.00
3100.00	8.50	79.43	3090.41	25.22	135.15	137.48	0.00	0.00	0.00
3200.00	8.50	79.43	3189.31	27.93	149.67	152.26	0.00	0.00	0.00
3300.00	8.50	79.43	3288.21	30.64	164.20	167.03	0.00	0.00	0.00
3400.00	8.50	79.43	3387.12	33.35	178.73	181.81	0.00	0.00	0.00
3500.00	8.50	79.43	3486.02	36.06	193.25	196.59	0.00	0.00	0.00
3600.00	8.50	79.43	3584.92	38.77	207.78	211.37	0.00	0.00	0.00
3700.00	8.50	79.43	3683.82	41.48	222.31	226.14	0.00	0.00	0.00
3800.00	8.50	79.43	3782.73	44.19	236.83	240.92	0.00	0.00	0.00
3900.00	8.50	79.43	3881.63	46.90	251.36	255.70	0.00	0.00	0.00
4000.00	8.50	79.43	3980.53	49.61	265.89	270.47	0.00	0.00	0.00
4100.00	8.50	79.43	4079.43	52.32	280.41	285.25	0.00	0.00	0.00
4200.00	8.50	79.43	4178.33	55.03	294.94	300.03	0.00	0.00	0.00
4300.00	8.50	79.43	4277.24	57.74	309.47	314.81	0.00	0.00	0.00
4400.00	8.50	79.43	4376.14	60.45	323.99	329.58	0.00	0.00	0.00
4500.00	8.50	79.43	4475.04	63.16	338.52	344.36	0.00	0.00	0.00
SEGO									
4504.00	8.50	79.43	4479.00	63.27	339.10	344.95	0.00	0.00	0.00
4600.00	8.50	79.43	4573.94	65.87	353.04	359.14	0.00	0.00	0.00
CASTLEGATE									
4645.56	8.50	79.43	4619.00	67.11	359.66	365.87	0.00	0.00	0.00
MANCOS									
4660.72	8.50	79.43	4634.00	67.52	361.87	368.11	0.00	0.00	0.00
4700.00	8.50	79.43	4672.85	68.58	367.57	373.91	0.00	0.00	0.00
4800.00	8.50	79.43	4771.75	71.29	382.10	388.69	0.00	0.00	0.00
4900.00	8.50	79.43	4870.65	74.00	396.62	403.47	0.00	0.00	0.00

PRECISION ENERGY SERVICES

Client : NATIONAL FUEL CORPORATION
 Well Name : DUNCAN STATE #14-28
 Location : UNITAH COUNTY, UTAH

Page : 2 of 3
 Date : 6/2/2005
 File : DRAFT

Gr Elevation : 7722.00
Vertical Section Calculated Along Azimuth 79.43°
All Bearings Are Along True North

MD	Inc	Azi	TVD	North	East	V'Sect	D'Leg	Build	Turn
ft	deg	deg	ft	ft	ft	ft	°/100	°/100	°/100
5000.00	8.50	79.43	4969.55	76.71	411.15	418.25	0.00	0.00	0.00
5100.00	8.50	79.43	5068.45	79.42	425.68	433.02	0.00	0.00	0.00
5200.00	8.50	79.43	5167.36	82.13	440.20	447.80	0.00	0.00	0.00
5300.00	8.50	79.43	5266.26	84.84	454.73	462.58	0.00	0.00	0.00
5400.00	8.50	79.43	5365.16	87.55	469.26	477.35	0.00	0.00	0.00
MANCOS "B"									
5419.05	8.50	79.43	5384.00	88.07	472.02	480.17	0.00	0.00	0.00
5500.00	8.50	79.43	5464.06	90.27	483.78	492.13	0.00	0.00	0.00
5600.00	8.50	79.43	5562.96	92.98	498.31	506.91	0.00	0.00	0.00
5700.00	8.50	79.43	5661.87	95.69	512.84	521.69	0.00	0.00	0.00
5800.00	8.50	79.43	5760.77	98.40	527.36	536.46	0.00	0.00	0.00
5900.00	8.50	79.43	5859.67	101.11	541.89	551.24	0.00	0.00	0.00
6000.00	8.50	79.43	5958.57	103.82	556.41	566.02	0.00	0.00	0.00
6100.00	8.50	79.43	6057.48	106.53	570.94	580.79	0.00	0.00	0.00
6200.00	8.50	79.43	6156.38	109.24	585.47	595.57	0.00	0.00	0.00
6300.00	8.50	79.43	6255.28	111.95	599.99	610.35	0.00	0.00	0.00
6400.00	8.50	79.43	6354.18	114.66	614.52	625.13	0.00	0.00	0.00
6500.00	8.50	79.43	6453.08	117.37	629.05	639.90	0.00	0.00	0.00
6600.00	8.50	79.43	6551.99	120.08	643.57	654.68	0.00	0.00	0.00
6700.00	8.50	79.43	6650.89	122.79	658.10	669.46	0.00	0.00	0.00
6800.00	8.50	79.43	6749.79	125.50	672.63	684.23	0.00	0.00	0.00
DROP AT 1.00°/ 100'									
6837.96	8.50	79.43	6787.33	126.53	678.14	689.84	0.00	0.00	0.00
6900.00	7.88	79.43	6848.74	128.15	686.83	698.68	1.00	-1.00	0.00
7000.00	6.88	79.43	6947.91	130.50	699.45	711.52	1.00	-1.00	0.00
7100.00	5.88	79.43	7047.29	132.54	710.37	722.63	1.00	-1.00	0.00
7200.00	4.88	79.43	7146.85	134.26	719.58	732.00	1.00	-1.00	0.00
7300.00	3.88	79.43	7246.56	135.66	727.08	739.63	1.00	-1.00	0.00
7400.00	2.88	79.43	7346.38	136.74	732.87	745.52	1.00	-1.00	0.00
7500.00	1.88	79.43	7446.30	137.50	736.95	749.67	1.00	-1.00	0.00
7600.00	0.88	79.43	7546.26	137.94	739.31	752.07	1.00	-1.00	0.00
END OF DROP									
7687.74	0.00	79.43	7634.00	138.07	739.97	752.75	1.00	-1.00	0.00
7700.00	0.00	79.43	7646.26	138.07	739.97	752.75	0.00	0.00	0.00
7800.00	0.00	79.43	7746.26	138.07	739.97	752.75	0.00	0.00	0.00
FRONTIER									
7869.74	0.00	79.43	7816.00	138.07	739.97	752.75	0.00	0.00	0.00
7900.00	0.00	79.43	7846.26	138.07	739.97	752.75	0.00	0.00	0.00
8000.00	0.00	79.43	7946.26	138.07	739.97	752.75	0.00	0.00	0.00
8100.00	0.00	79.43	8046.26	138.07	739.97	752.75	0.00	0.00	0.00
8200.00	0.00	79.43	8146.26	138.07	739.97	752.75	0.00	0.00	0.00
8300.00	0.00	79.43	8246.26	138.07	739.97	752.75	0.00	0.00	0.00

PRECISION ENERGY SERVICES

Client : NATIONAL FUEL CORPORATION
 Well Name : DUNCAN STATE #14-28
 Location : UNITAH COUNTY, UTAH

Page : 3 of 3
 Date : 6/2/2005
 File : DRAFT

**Gr Elevation : 7722.00
 Vertical Section Calculated Along Azimuth 79.43°
 All Bearings Are Along True North**

MD ft	Inc deg	Azi deg	TVD ft	North ft	East ft	V'Sect ft	D'Leg °/100	Build °/100	Turn °/100
DAKOTA SILT									
8367.74	0.00	79.43	8314.00	138.07	739.97	752.75	0.00	0.00	0.00
8400.00	0.00	79.43	8346.26	138.07	739.97	752.75	0.00	0.00	0.00
DAKOTA									
8453.74	0.00	79.43	8400.00	138.07	739.97	752.75	0.00	0.00	0.00
8500.00	0.00	79.43	8446.26	138.07	739.97	752.75	0.00	0.00	0.00
CEDER MTN.									
8551.74	0.00	79.43	8498.00	138.07	739.97	752.75	0.00	0.00	0.00
8600.00	0.00	79.43	8546.26	138.07	739.97	752.75	0.00	0.00	0.00
MORRISON									
8607.74	0.00	79.43	8554.00	138.07	739.97	752.75	0.00	0.00	0.00
8700.00	0.00	79.43	8646.26	138.07	739.97	752.75	0.00	0.00	0.00
8800.00	0.00	79.43	8746.26	138.07	739.97	752.75	0.00	0.00	0.00
TOTAL DEPTH									
8807.74	0.00	79.43	8754.00	138.07	739.97	752.75	0.00	0.00	0.00

Bottom Hole Closure 752.75ft Along Azimuth 79.43°

**National Fuel Corporation
Duncan State #14-28
Directional Plan
(confidential)**

RECEIVED

JUL 06 2005

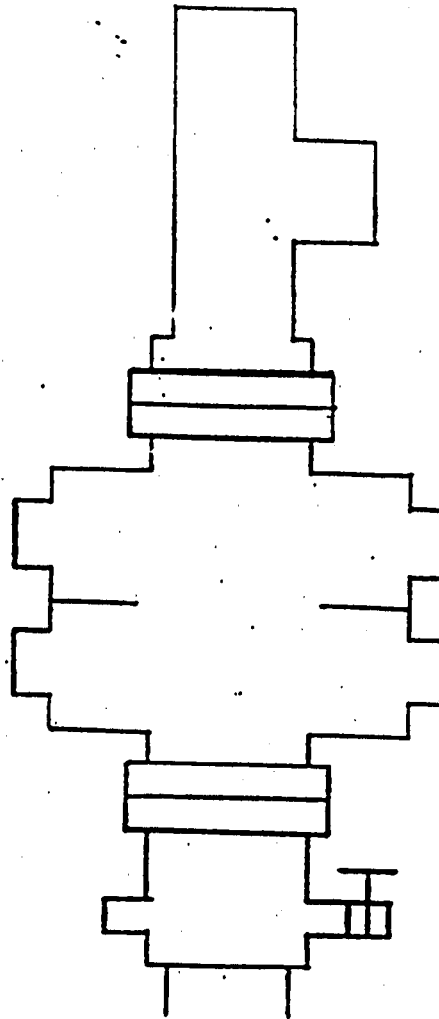
DIV. OF OIL, GAS & MINING

The Operator's Minimum Specifications for Pressure Control

EXHIBIT are schematic diagrams of the blowout preventer equipment. A 3,000# blowout preventer will be installed, used, maintained and tested in accordance with all requirements specified in Section III.A-1 of Onshore Order 2, except where variations are presented in this application.

Minimum standards outlined in Onshore Order 2 will be met for BOP, choke, manifold, accumulator, and locking devices. Hydraulic controls will be located on the rig floor. Manual controls will be handwheels. Remote control for the accumulator will be 100'-200' from the drill hole. The kill line will not be used as a fill-up line.

Ram type preventers and associated equipment (choke manifold, kelly cocks, etc.) shall be pressure tested to 100% of their rated working pressure for a period of 10 minutes. Annular preventers shall be tested to 50% of their rated working pressure for a period of 10 minutes. Tests will be run after initial installation, prior to drilling out of each casing shoe and after use under pressure, or a minimum of once every 30 days. Pipe rams will be operationally checked each 24 hour period, as will blind rams and annular preventer each time pipe is pulled out of the hole. Annular preventers will be functionally operated at least weekly. Such checks of BOPE will be noted on daily drilling reports.

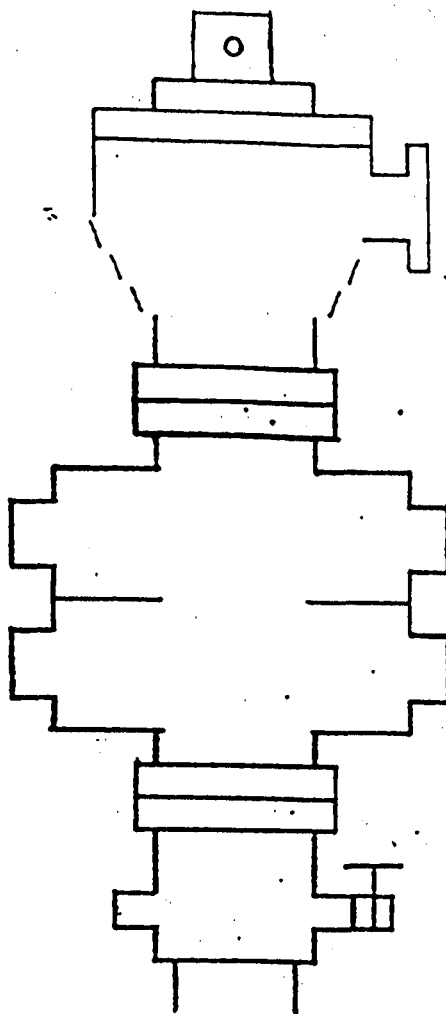


11" 3000#

DRILLING NIPPLE

HYDRAULIC DOUBLE GATE BLOWOUT PREVENTER

EXHIBIT



11" 3000#

HYDRAULIC DOUBLE GATE BLOWOUT PREVENTER

ROTATING HEAD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 5

DESIGNATION OF AGENT OR OPERATOR

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: State Lease

LEASE NUMBER: ML - 48183

and hereby designates

NAME: National Fuel Corporation

ADDRESS: 7979 E. Tufts Ave. Pkwy., Suite 815

city Denver state CO zip 80237

as his (check one) agent ☐ / operator ☒, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to:

(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)

Township 15 South - Range 23 East
Section 28: W/2, NE/4
Section 33: S/2, NW/4
Uintah County, Utah

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation: 05/17/2005

BY: (Name) Club Oil & Gas, Ltd.
(Signature) [Signature]
(Title) John V. Cestia, Vice President
(Phone) (303) 759-3303

OF: (Company) Club Oil & Gas, Ltd.
(Address) 1777 S. Harrison St.-Penthouse One
city Denver
state CO zip 80210

(5/2000)

RECEIVED

MAY 25 2005

DIV. OF OIL, GAS & MINING

5/16/05

State of Utah, Division of Oil, Gas, and Mining
Application for Permit to Drill

Company: National Fuel Corporation Well No. Duncan State #14-28

Location: Sec. 28, T. 15S, R. 23E, Lease No. ML-48183

All operations will be conducted in such a manner that full compliance is made with applicable laws, regulations, the approved plan of operations and the conditions of approval. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

A. DRILLING PROGRAM

<u>Surface Formation and Estimated Formation Tops:</u>	
Mesaverde	2465'
Sego	4479'
Castlegate	4619'
Mancos	4634'
Mancos "B"	5384'
Frontier	7816'
Dakota Silt	8314'
Dakota	8400'
Cedar Mtn.	8498'
Morrison	8554'
TD	8754'

1. Estimated Depth at Which Oil, Gas, Water or Other Mineral Bearing Zones are Expected to be Encountered

Depth/Formation

Expected Oil Zones: None

Expected Gas Zones: Dakota Silt, Dakota, Cedar Mtn, Morrison

Expected Water Zones: None

Expected Mineral Zones: None

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and will be cased and cemented. When possible, water flow rates will be measured and samples will be taken and analyzed with the results being submitted to Utah. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment – See attached schematic

3. Casing Program and Auxiliary Equipment – include casing size, weight, grade, thread and coupling, setting depth and condition (new or acceptably reconditioned):

Conductor csg.-	New	17 1/2" 48# , H-40, ST&C,	150' to Surface
Surface csg.-	New	9 5/8" 36# , J-55, ST&C,	1300' to Surface
Production csg.-	New	4 1/2" , 11.6# , N-80,ST&C	8754' to Surface

4. Cement – include the cement type, density, yield, additives and amount used in setting each casing string. Also include the anticipated cement fill-up.:

13 3/8" csg. -181sx Regular Class G cement, 1.15 cu ft/sk, 15.8 ppg, 150' to surface

9 5/8" csg. -505 sx Regular Class G cement, 1.61 cu ft/sk, 14.2 ppg, 1300' to surface

4 1/2" csg. – 1740 sx in 2 stages, 50/50 poz w/0.25 PPS flocele, 1.26 cu ft/sk, 14.2 ppg

1st stage 8754' to 5200', 2nd stage 5200' to 1300'

Conductor and surface casing will be cemented back to surface. Cement for conductor and surface casing will be pumped at 100% excess of calculated annular volume to ensure circulation back to surface. Centralizers shall be run, at a minimum, on the bottom three joints of each casing string and across any potential gas producing zones. Stage tool depth at 5200'.

5. Mud Program and Circulating Medium – Production hole will be drilled with a DAP mud system. Sufficient mud materials will be stored on location to maintain well control and combat lost circulation problems that might reasonably be expected. Monitoring equipment will be installed on mud tanks to record tank levels, circulating rates and returns. Mud logging will begin at 3500'.

6. Coring, Logging and Testing Program: No DST or core anticipated. Logging program: GR-CNL-FDC & SP-GR-DIL open hole logs will be run from 1300' to 8754'. All good gas and/or oil shows will be tested when perforated through production csg.
Initial opening of drill stem test tools will be restricted to daylight hours.

7. Abnormal Conditions, Bottom Hole Pressures and Potential Hazards – include anticipated bottomhole pressure and/or pressure gradient. Also list anticipated lost circulation zones, abnormal temperature zones and possible hydrogen sulfide bearing zones: No abnormal conditions, pressures, temperatures or hazards are anticipated and are not common in this area. No H2S anticipated and does not exist in other wells in the area. Based on information from other wells in the area, max BHP not expected to exceed 2500#.

8. Any Other Aspects of this Proposal that should be Addressed:

Anticipated time frames for: Construction and Drilling - 20 to 25 days

Completion and Testing - 10 to 15 days

B. SURFACE USE PLAN

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction. Surface disturbance and vehicular travel will be limited to the approved location and access road.

1. Existing Roads:

- a. See attached maps and plats from ULES.
- b. Location of proposed well in relation to town or other reference point: See next page.
- c. Contact the County Road Department for use of county roads.
- d. Plans for improvement and/or maintenance of existing roads: Existing access road is in good condition.
- e. Other: _____

2. Planned Access Roads:

- a. Location (centerline): See map attached to survey plat.
- b. Length of new access to be constructed: 0.10 miles
- c. Length of existing roads to be upgraded: Existing road is in good condition and adequate for rig traffic.
- d. Maximum total disturbed width: 50 ft
- e. Maximum travel surface width: 18 ft
- f. Maximum grades: Not to exceed 10%.
- g. Turnouts: As needed.
- h. Surface materials: No off-site materials anticipated.
- i. Drainage (crowning, ditching, culverts, etc.): No drainage crossings will be needed for access route. Access road will be crowned and drainage ditches cut as necessary to provide adequate drainage.
- j. Cattleguards: None
- k. Length of new and/or existing roads which lie outside the lease or unit boundary for which a State right-of-way is required: None

Surface disturbance and vehicular travel will be limited to the approved location and access road. Any additional area needed must be approved by the Area Manager in advance.

3. Location of Production Facilities:

- a. On-site facilities: Wellhead, meter facilities, separator, dehydrator, production tank and fenced emergency water disposal pit. Details of needed facilities will be submitted if well is completed for production.
- b. Off-site facilities: None
- c. Pipelines: If gas production is established, a new 4" buried gathering line will be laid in proposed access road to existing road 0.10 miles to the south. Line will then be laid 2.2 miles to Canyon Gas Resource line at Seep Ridge intersection northeast of proposed location.

All permanent (in place for six months or longer) structures constructed or installed (including oil well pump jacks) will be painted a flat, nonreflective color to match the standard environmental colors, as determined by the Rocky Mountain Five-State Interagency Committee. All facilities will be painted within six months on installation.

All site security guidelines identified in 43 CFR § 3162.7-5 and Onshore Oil and Gas Order No. 3 shall be followed.

If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR § 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.

If a tank battery is constructed on this lease, it will be surrounded by a berm of sufficient capacity to contain 1 ½ times the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All oil production and measurement shall conform to the provisions of 43 CFR § 3162.7-3 and Onshore Oil and Gas Order No. 4.

Production facilities on location may include a lined or unlined produced water pit.

4. Location and Type of Water Supply:

All water needed for drilling purposes will be obtained from (describe location and/or show on a map): Water for drilling and completion operations will be purchased from rancher Bert Delambert and taken from a pond on his property located in Main Canyon in the center of the E ½, E ½ Section 31-T15S-R23E, Uintah Co., Utah. Water Right #49-123, App. #T-14298, Cert. #1504. See attached map showing water source location.

5. Source of Construction Material:

Pad construction material will be obtained from (if the source is Federally owned, show location on a map): Native materials. All on site.

The reserve pit shall be located in cut material with at least 50% of the pit volume being below original ground level. Pit will be lined to prevent leaching of drilling fluids. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. As soon as the reserve pit has dried, all areas not needed for production will be rehabilitated.

Trash must be contained in a trash cage and hauled away to an approved disposal site as necessary, but no later than at the completion of drilling operations.

Sewage will be contained in approved containers and disposed of at an approved disposal site.

6. Ancillary Facilities: None required. Anticipate up to 4 living trailers for rig personnel during drilling and completion.

7. Well Site Layout – depict the pit, rig, cut and fill, topsoil, etc., on a plat with a scale of at least 1" = 50'. See ULES plat.

The blooie line will be located at least 100 feet from the well head.

To minimize the amount of fugitive dust and spray escaping from the blooie pit, the following blooie line deflection method will be employed: Blooie line will be directed into the base of the dirt embankment surrounding the blooie pit.

8. Plans for Restoration of the Surface:

The top 5 inches of topsoil material will be removed from the location and stockpiled separately on: The east side of location. See survey plat.

Immediately upon completion of drilling, all equipment that is not necessary for production shall be removed.

The reserve pit and that portion of the location not needed for production will be reclaimed.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry.

All road surfacing will be removed prior to the rehabilitation of roads.

Reclaimed roads will have the berms and cuts reduced and will be closed to vehicle use.

All disturbed areas will be recontoured to replicate the natural slope.

The stockpiled topsoil will be evenly distributed over the disturbed area.

Prior to reseeding, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled between Sept 1st and Dec 31st, or at a time specified by the State of Utah. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage.

The following seed mixture will be used: As specified by State.

The abandonment marker will be one of the following, as specified by the State:

- 1) at restored ground level, or
- 2) below ground level.

In any case, the marker shall be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).

9. Surface and Mineral Ownership: State surface and mineral ownership.

10. Other Information:

a. Archeological Concerns: A cultural and archeological survey will be performed on the new well site and access road to location. Results will be forwarded to the State of Utah for review.

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five (5) working days, the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
- a time frame for the AO to complete an expedited review under 36 CFR § 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

- b. Threatened and Endangered Species Concerns: None

- c. Wildlife Seasonal Restrictions (yes/no): As specified by State of Utah.

- d. Off Location Geophysical Testing: None

- e. Drainage crossings that require additional State or Federal approval: None

11. Lessee's or Operator's Representative and Certification

Representative:

Name: Andrew W. Busch, Fruita Office (970)858-7490, Cell (970) 260-8128

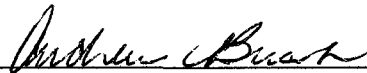
Title: V.P. of Operations

Address: 7979 East Tufts Avenue Parkway #815
Denver, Co. 80237

Phone Number: Denver office (303)220-7772

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by National Fuel Corporation and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under Utah Statewide Blanket Drilling Bond no. 04127314.


Signature

Vice President of Operations
Title

May 20, 2005
Date

UTAH STATE COVER PAGE

Must Accompany All Project Reports
Submitted to Utah SHPO

Project Name: Class III cultural resources inventory for the proposed State Duncan #14-28, Horse Point State #11-6, and the Westwater State #22-32 well locations, and related new and to-be-upgraded access routes in Uintah and Grand Counties, Utah, for National Fuel Corporation

State Proj. No. U05-GB-0469s

Report Date: 30 May 2005

County(ies): Uintah and Grand

Principal Investigator: Carl E. Conner

Field Supervisor(s): Carl E. Conner

Records search completed at: UDSH

Record search date(s): 05/24/2005

Acreage Surveyed ~ Intensive: 37 acres

Recon/Intuitive: 0 acres

7.5' Series USGS Map Reference(s): Dry Canyon and PR Spring 1970

Sites Reported	Count	Smithsonian Site Numbers
Archaeological Sites Revisits (no inventory form update)	0	
Revisits (updated IMACS site inventory form attached)	0	
New recordings (IMACS site inventory form attached)	0	
Total Count of Archaeological Sites	0	
Historic Structures (USHS 106 site info form attached)	0	
Total National Register Eligible Sites	0	

Checklist of Required Items

1. X Copy of the Final Report
2. X Copy of 7.5' Series USGS Map with Surveyed/Excavated Area Clearly Identified.
3. Completed IMACS Site Inventory Forms, Including
 - ___Parts A and B or C, ___The IMACS Encoding Form,
 - ___Site Sketch Map, ___Photographs
 - ___Copy of the appropriate 7.5' Series USGS Map w/ the Site Location Clearly Marked and Labeled with the Smithsonian Site Number
4. X Completed "Cover Sheet" Accompanying Final Report and Survey Materials (Please make certain all of your checked items are attached.)

**Class III Cultural Resource Inventory Report
on the
Proposed State Duncan #14-28, Horse Point State #11-6, and the
Westwater State #22-32 Well Locations,
and Related New and To-Be-Upgraded Access Routes on
State Lands in Uintah and Grand Counties, Utah
for
National Fuel Corporation**

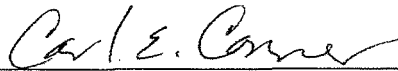
Declaration of Negative Findings

GRI Project No. 2527

30 May 2005

Prepared by

Grand River Institute
P.O. Box 3543
Grand Junction, Colorado 81502
UDSH Project Authorization No. U05-GB-0469s



Carl E. Conner, Principal Investigator

Submitted to

Preservation Office
Utah Division of State History
300 Rio Grande
Salt Lake City, Utah 84101

School and Institutional
Trust Lands Administration
675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818

Abstract

Grand River Institute conducted a Class III cultural resources inventory for the proposed State Duncan #14-28, Horse Point State #11-6, and the Westwater State #22-32 well locations, and related new and to-be-upgraded access routes in Uintah and Grand Counties, Utah, for National Fuel Corporation under Utah Division of State History (UDSH) Project Authorization No. U05-GB-0469s. This work was done to meet requirements of State law that protect cultural resources. A files search conducted through the Preservation Office UDSH on 24 May 2005 indicated no sites were previously recorded in the study area. Field work was performed on 26 May 2005. A total of about 37 acres of Utah State Lands was inspected. No cultural or paleontological resources were encountered and clearance is recommended.

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Introduction

At the request of National Fuel Corporation, a Class III cultural resources inventory for the proposed State Duncan #14-28, Horse Point State #11-6, and the Westwater State #22-32 well locations, and related new and to-be-upgraded access routes in Uintah and Grand Counties, Utah, for National Fuel Corporation under Utah Division of State History (UDSH) Project Authorization No. U05-GB-0469s. A files search conducted through the Preservation Office UDSH on 24 May 2005 indicated no sites were previously recorded in the study area. Field work was performed on 26 May 2005. A total of about 37 acres of Utah State Lands was inspected. Carl E. Conner was Principal Investigator and Field Supervisor. He was assisted by Nicole Darnell and Jim Conner.

The survey was done to meet requirements of State law concerned with the identification, evaluation, and protection of fragile, non-renewable evidences of human activity, occupation and endeavor reflected in districts, sites, structures, artifacts, objects, ruins, works of art, architecture, and natural features that were of importance in human events. Such resources tend to be localized and highly sensitive to disturbance.

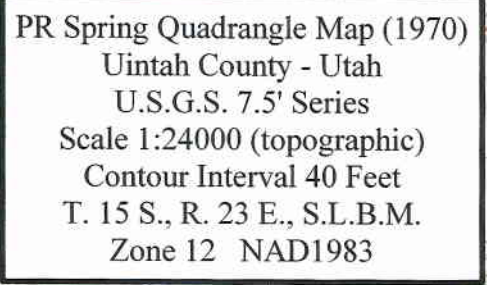
Location of Project Area

The study area lies in the Roan Plateau in Uintah and Grand Counties, Utah. The study areas are located in T. 15 S., R. 23 E., Section 28; T. 16 S., R. 24 E., Sections 6 and 32; SLBM (Figure1).

Environment

The project area is within the major geologic subdivision of the Colorado Plateau known as the Uinta Basin Section. In Utah, this section extends from the Uinta Mountains on the north to the Book Cliffs on the south. It is a broad downwarp into which Quaternary- and Tertiary-age deposits were made from the surrounding mountains which include Holocene and Pleistocene pediment deposits, and Eocene-age fluvial and lacustrine sedimentary rocks (Rigby 1976:xi). Physiographically, the basin includes the Uinta basin in the northern portion and the Book Cliffs/Roan Plateau in the south portion. The study area occurs in the latter and the Wasatch Formation forms the bedrock. Rocky, sandy loams formed in residuum cover the bedrock on the ridgetop.

Elevation in the project area averages 7280 to 8100 feet. The terrain is characterized as narrow ridgetops and slopes covered in Transitional Zone oakbrush, sagebrush, serviceberry and grasses, and in areas pinyon/juniper forest. Regional faunal inhabitants include deer, antelope, elk, black bear, coyote, mountain lion, cottontails, jack rabbits, and various raptores.



2

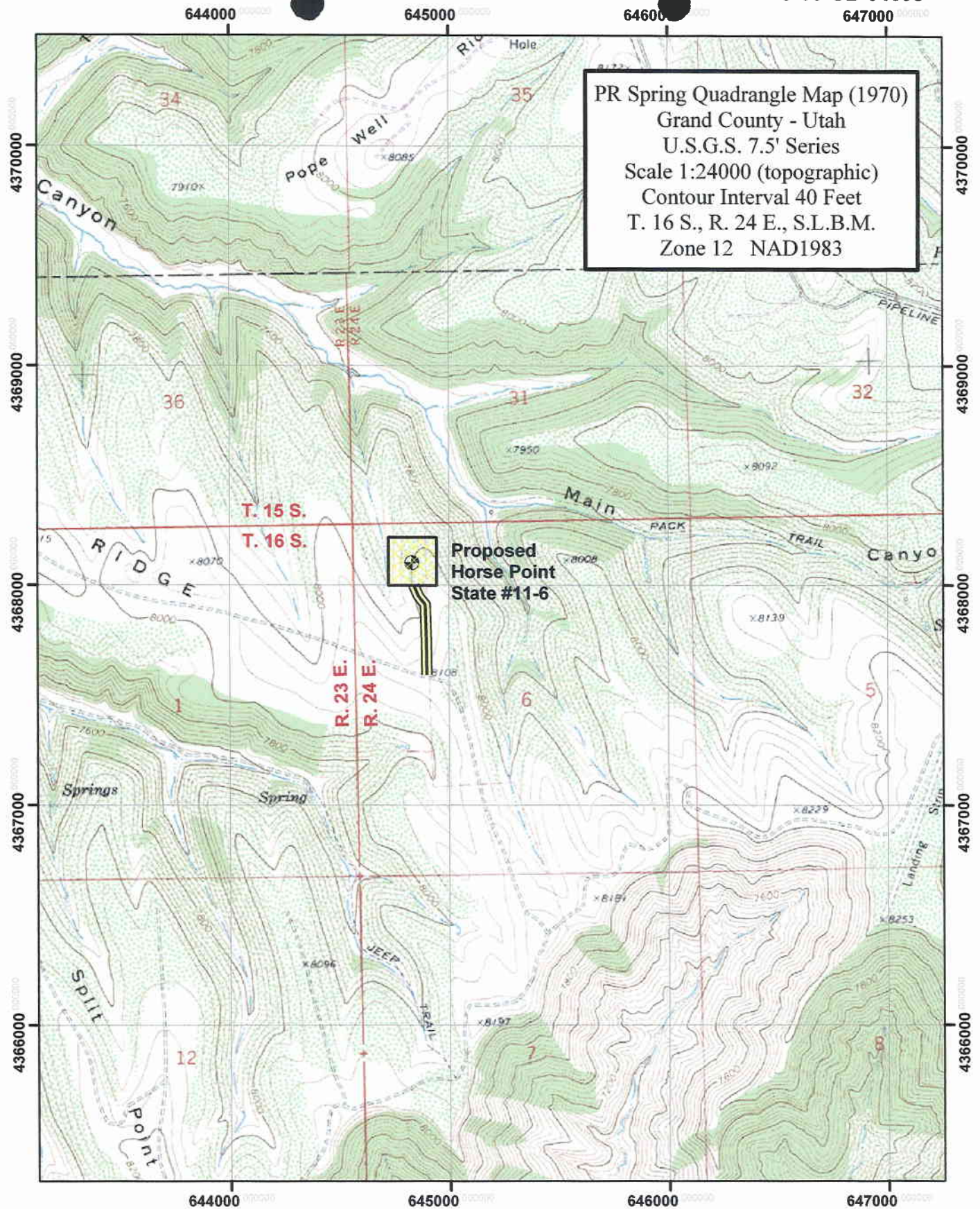


Figure 2. Project location map (2 of 3) for the Class III cultural resources inventory report for three proposed State well locations and related short accesses in Grand and Uintah Counties, Utah for National Fuels Corporation. Area surveyed is highlighted. [GRI Project No. 2527, 5/30/05]

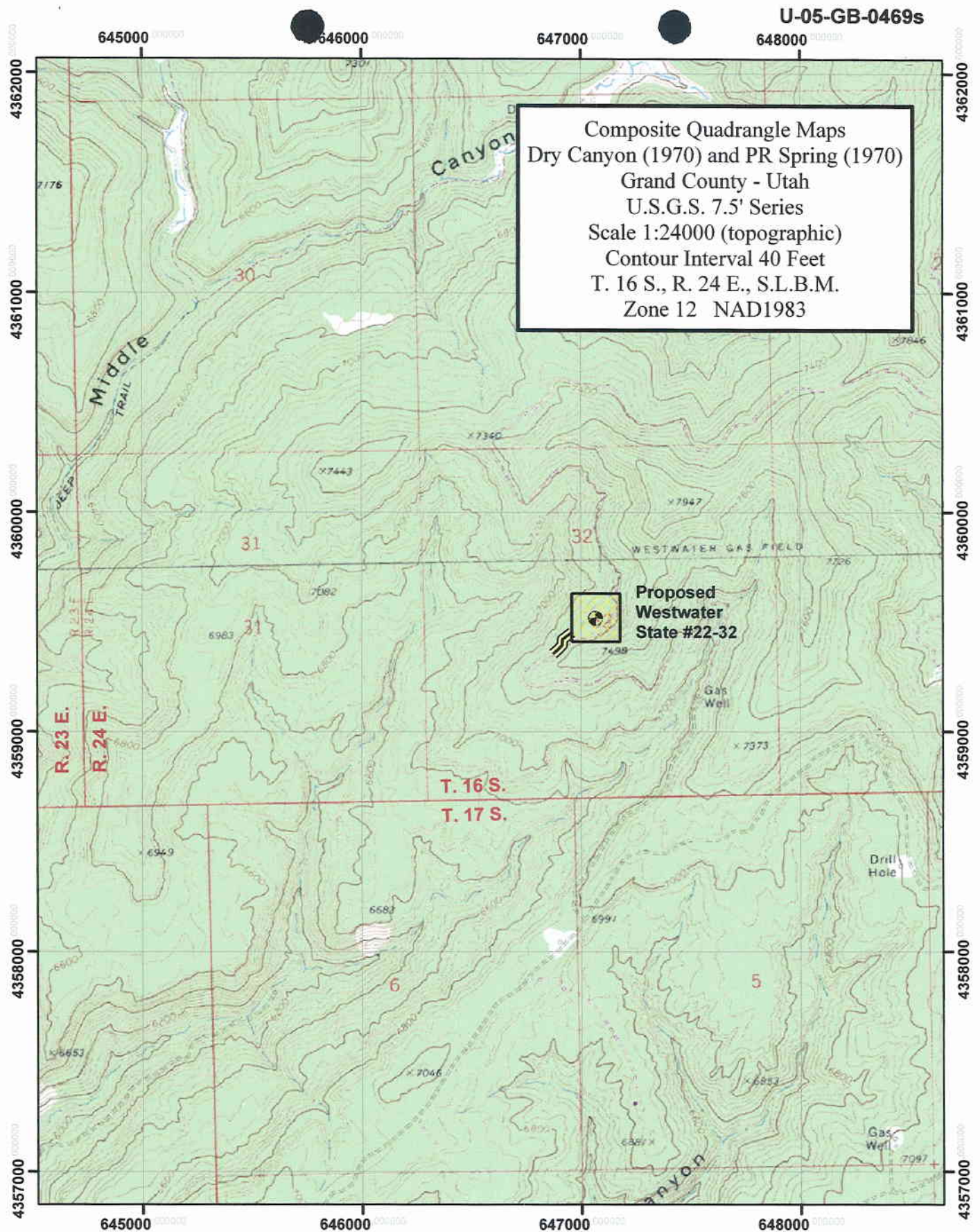


Figure 3. Project location map (3 of 3) for the Class III cultural resources inventory report for three proposed State well locations and related short accesses in Grand and Uintah Counties, Utah for National Fuels Corporation. Area surveyed is highlighted. [GRI Project No. 2527, 5/30/05]

A cool, mid-latitude steppe climate prevails. Annual precipitation of this elevation range is between 14 and 18 inches. Temperatures can reach 95°F in mid-summer and -20°F in January. Paleoenvironmental data are scant, but it is generally agreed that gross climatic conditions have remained fairly constant over the last 12,000 years. However, changes in effective moisture, and cooling-warming trends probably affected the prehistoric occupation of the region.

Files Search

Regional archaeological studies suggest nearly continuous human occupation of northeastern Utah for the past 12,000 years. Evidence of the Paleoindian Tradition, the Archaic Tradition, Fremont Culture, and Protohistoric/Historic Utes has been found. Historic records suggest occupation or use by EuroAmerican trappers, settlers, miners, and ranchers as well. Overviews of the prehistory and history of the region are provided in the Utah BLM Cultural Resource Series No. 5, Sample Inventories of Oil and Gas Fields in Eastern Utah (Nickens and Larralde 1980) and in Cultural Resources Existing Data Inventory Vernal District, Utah (Jones and Mackay 1980).

A files search conducted through the Preservation Office UDSH on 24 May 2005 indicated no sites were previously recorded in the study areas. Twelve energy related projects have been conducted within a mile of the present study areas (Table 1). The only significant cultural resource recorded within a mile of the discrete project areas is a prehistoric rock art site (42UN3145 recorded as part of project U-02-NU-0340b,s) in the bottom Main Canyon, which is well outside of the present project area.

Table 1. List of previous cultural resource surveys within one mile of the study area.

Report Number	Project
U04-GB-0472s,p	Class III cultural resources inventory for the proposed Horse Point State #43-32 well location, a short new pipeline route, and new and to-be-upgraded access routes in Uintah and Grand Counties, Utah (Conner 6/9/04)
U-03-AY-0911s	EOG Resources Inc.; Trail Canyon #2-34: A Cultural Resource Inventory for a well pad, and its access and pipeline, Grand County, Utah (Truesdale, 12/1/2003)
U-03-MQ-0753b	CRI of Trigon-Sheehan's Winter Ridge/Wolf Point Six Mile Pipeline in Grand County, Utah (Nicholson and Montgomery 2003)

U-02-NU-0340b,s	Class III Cultural Resource Inventory on the Western Geco Horse Point 3D Seismic Grid, Uintah and Grand Counties, Utah (Frizell et al., 9/18/2002)
U-01-MQ-0289b,p,s	Cultural Resource Inventory of Well Locations Fence Canyon Delambert #30-2, Fence Canyon #31-2 and Fence Canyon #32-2, Uintah County, Utah (Montgomery, 6/02/2001)
U-01-MQ-0531s	Cultural Resource Inventories of Well Locations Fence Canyon #21-2, #29-2, #32-2 and #33-4, Grand and Uintah Counties, Utah (Montgomery, 8/17/2001)
U-01-MQ-0721b,s	Cultural Resource Inventory of Louis Dreyfus Natural Gas Corporation's Fence Canyon #32-2 Pipeline, Uintah County, Utah (Montgomery, 10/29/2001)
U-85-MM-0431s	PR Springs Tar Sands Exploration Project (24 drill holes) for Mobile Alternative Energy, Inc. in Grand and Uintah Counties, Utah (Metcalf, 6/25/1985)
81-NH-0642b	Three Drill Pads on Seep Ridge for Texas Oil and Gas Corp., in Uintah County, Utah (Nickens, 7/23/1981)
83-NJ-0231	An Archaeological Survey of Three Seismic Lines in the Book Cliffs Section of Utah (Lee 8/8/1983)
81-GA-0419	Archaeological Survey of Northwest Pipeline Corporation's Lateral A-45, R/W #'s 79458, 81775, 81797 in Grand County, Utah (Babcock and Kimsey 1981)
81-GC-0313	Coseka Well #2-31-16-24 and Access (Kranzush 1981)

Study Objectives

The purpose of the study was to identify and record all cultural resources within the area of potential impact and to assess their significance and eligibility to the National Register of Historic Places (NRHP). Paleontological resources were also considered in the inspection. However, a final evaluation of those resources must be provided by a paleontologist permitted by the State of Utah.

Field Methods

Class III. 100% pedestrian, cultural resources surveys of the proposed well locations were made by a two-person crew walking a series of concentric circles around the flagged centers to diameters of 750 feet. The related new and to-be-upgraded access routes (2080 feet) were inspected by walking a series of parallel transects along both sides of the flagged centerline spaced at 10-meter intervals to cover a 150 foot-wide swath. A total of about 37 acres (30 block/7 linear) was intensively surveyed.

Cultural resources were sought as surface exposures and were characterized as sites or isolated finds. Sites were defined by the presence of six or more artifacts and/or significant features indicative of patterned human activity. Isolated finds were defined by the presence of a single artifact or several artifacts, which apparently represent a single event (e.g., a single core reduction, or small historic can cluster), and is surficial in nature. Artifacts were to be pin-flagged to establish site boundaries, sketch maps were to be drawn (using a Garmin GPS V unit), and photographs were to be taken. Cultural resources encountered were to be recorded to standards set by the Preservation Office of the Utah Division of State History. None were found.

Study Findings and Management Recommendations

As expected, no cultural or paleontological resources were encountered during the survey. Accordingly, cultural resource clearance is recommended.

References

Jones, Kevin T. and K.L. Mackay

1980 Cultural Resources Existing Data Inventory Vernal District, Utah. Report of Investigations 80-18, University of Utah, Salt Lake City.

Nickens, Paul R. and Signa L. Larralde

1980 Sample Inventories of Oil and Gas Fields in Eastern Utah. Utah BLM Cultural Resource Series No. 5. Bureau of Land Management, Salt Lake City.

Rigby, J. Keith

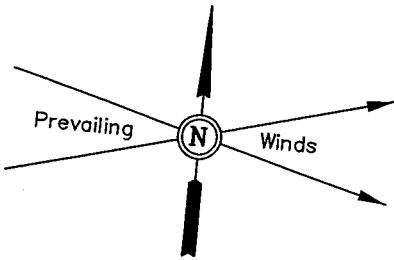
1976 Northern Colorado Plateau. Kendall/Hunt Publishing Company. Dubuque.

NATIONAL FUEL CORPORATION

LOCATION LAYOUT FOR

N.F.C. STATE DUNCAN #14-28
SECTION 28, T15S, R23E, S.L.B.&M.
591' FSL 710' FWL

FIGURE #1



SCALE: 1" = 50'
DATE: 05-09-05
Drawn By: D.R.B.

F-8.1'
El. 14.3'

F-4.4'
El. 18.0'

F-3.7'
El. 18.7'

Sta. 3+20

NOTE:
Flare Pit is to
be located a min.
of 100' from the
Well Head.

Reserve Pit Backfill
& Spoils Stockpile

F-1.0'
El. 21.4'

El. 21.5'
C-11.1'
(btm. pit)

Sta. 2+00

C-1.4'
El. 23.8'

Total Pit Capacity
W/2' of Freeboard
= 12,570 Bbls.±
Total Pit Volume
= 3,450 Cu. Yds

El. 30.9'
C-20.5'
(btm. pit)

Sta. 0+50

Approx.
Top of
Cut Slope

C-10.7'
El. 33.1'

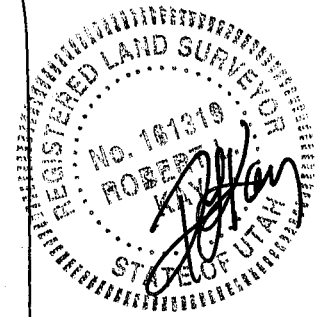
Sta. 0+00

C-9.8'
El. 32.2'

Proposed Access
Road

Elev. Ungraded Ground at Location Stake = 7724.0'
Elev. Graded Ground at Location Stake = 7722.4'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



NATIONAL FUEL CORPORATION

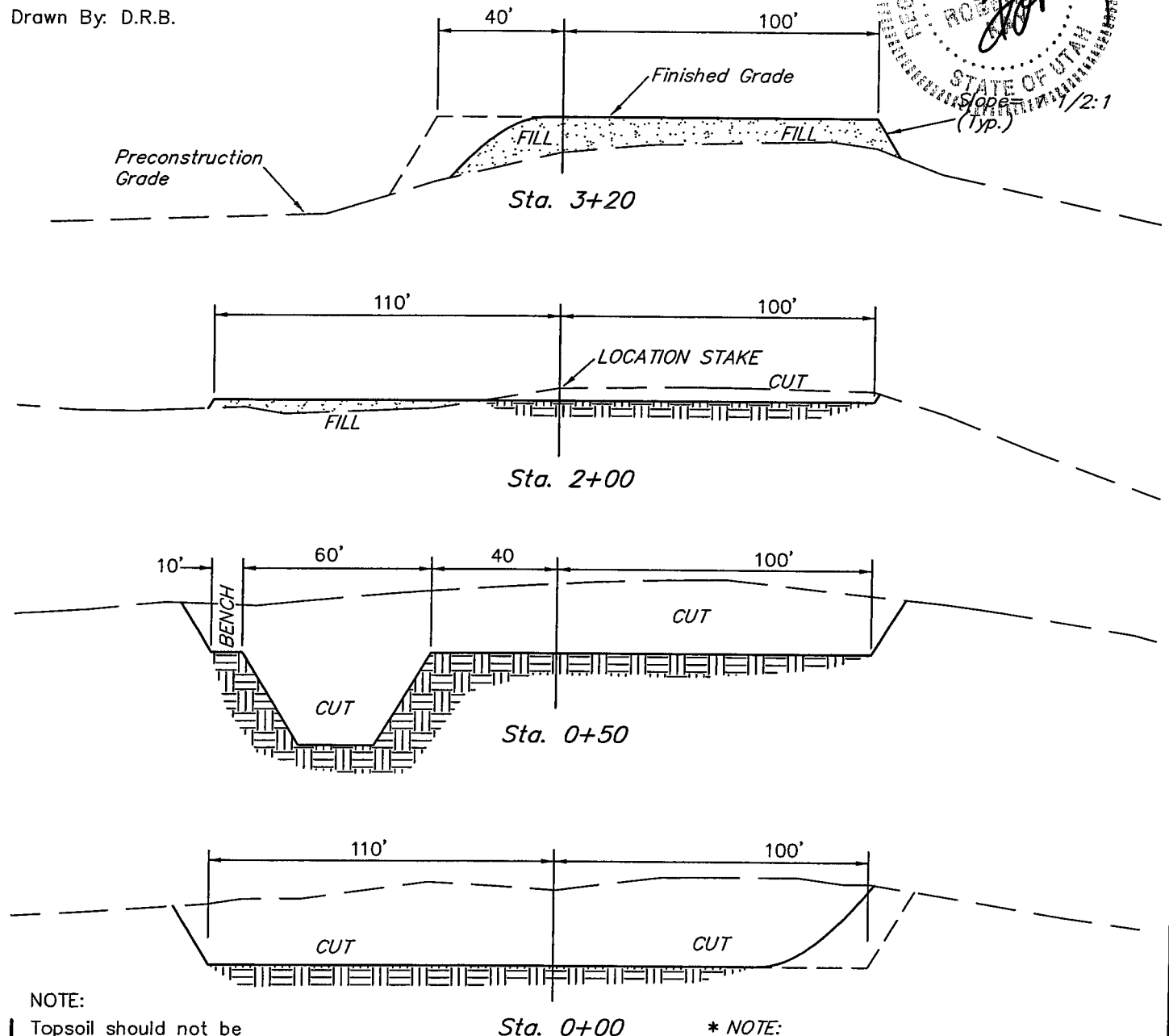
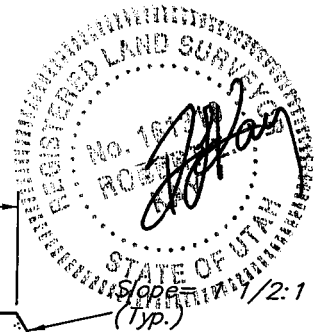
TYPICAL CROSS SECTIONS FOR

N.F.C. STATE DUNCAN #14-28
SECTION 28, T15S, R23E, S.L.B.&M.
591' FSL 710' FWL

FIGURE #2

1" = 20'
X-Section
Scale
1" = 50'

DATE: 05-09-05
Drawn By: D.R.B.



NOTE:

Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

* NOTE:

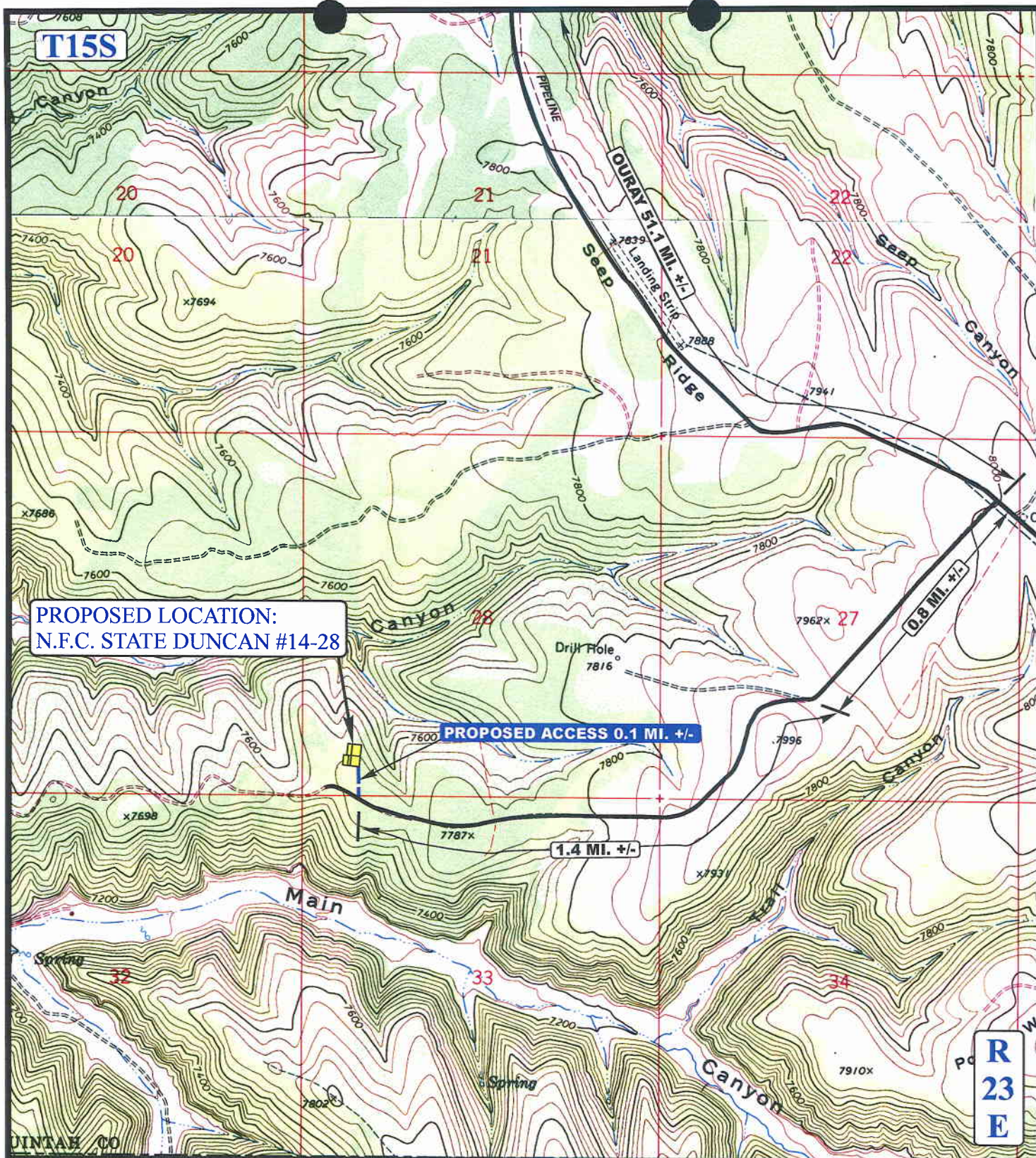
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,330 Cu. Yds.
Remaining Location = 12,230 Cu. Yds.
TOTAL CUT = 13,560 CU.YDS.
FILL = 1,760 CU.YDS.

EXCESS MATERIAL = 11,800 Cu. Yds.
Topsoil & Pit Backfill
(1/2 Pit Vol.) = 3,060 Cu. Yds.
EXCESS UNBALANCE = 8,740 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

- EXISTING 2-TRACK NEEDS UPGRADED
- EXISTING ROAD
- PROPOSED ACCESS ROAD

NATIONAL FUEL CORPORATION

N.F.C. STATE DUNCAN #14-28
SECTION 28, T15S, R23E, S.L.B.&M.
591' FSL 710' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

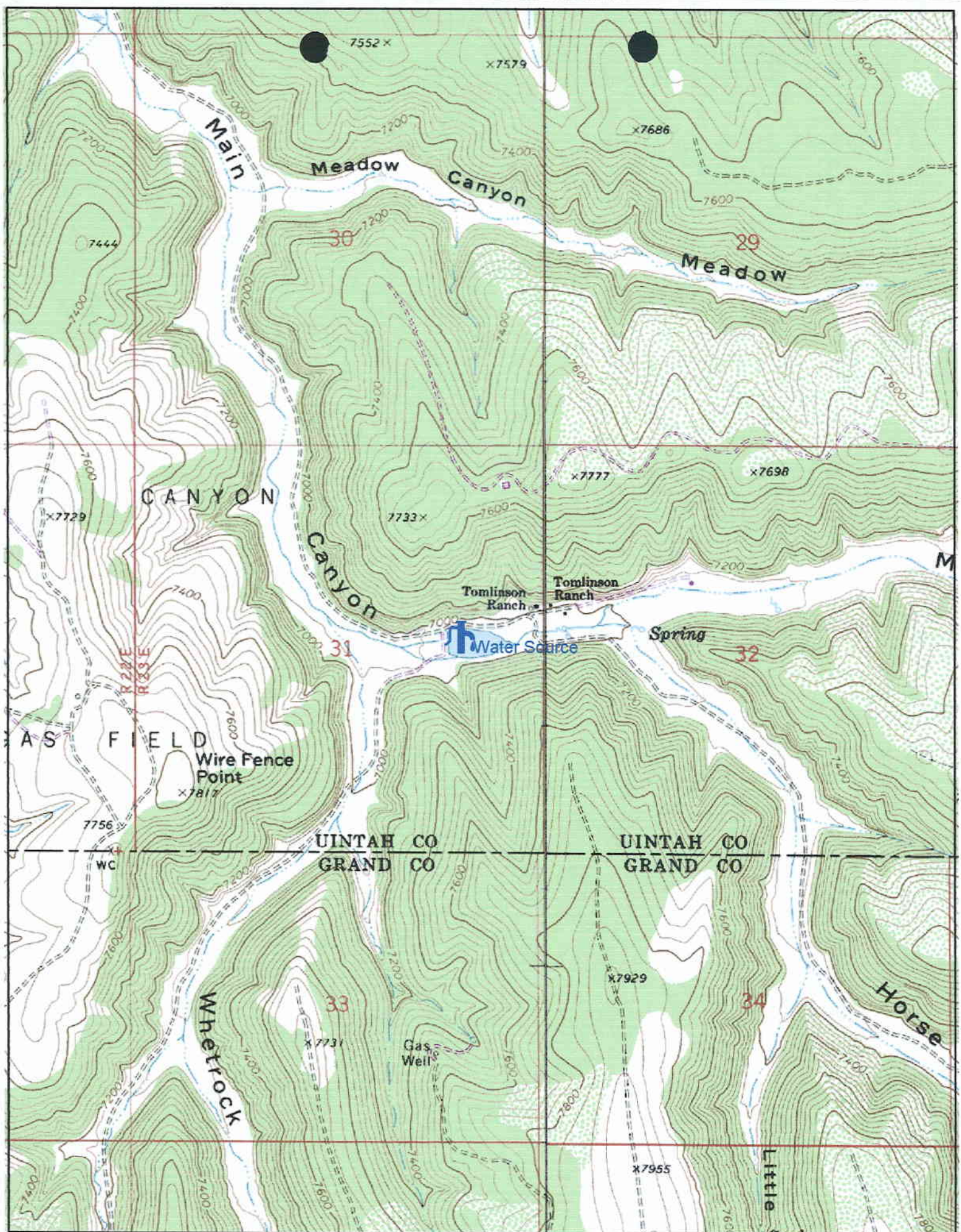


TOPOGRAPHIC
MAP

05 10 05
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00

B
TOPO



NATIONAL FUEL CORPORATION

N.F.C. STATE DUNCAN #14-28

LOCATED IN UINTAH COUNTY, UTAH

SECTION 28, T15S, R23E, S.L.B.&M.

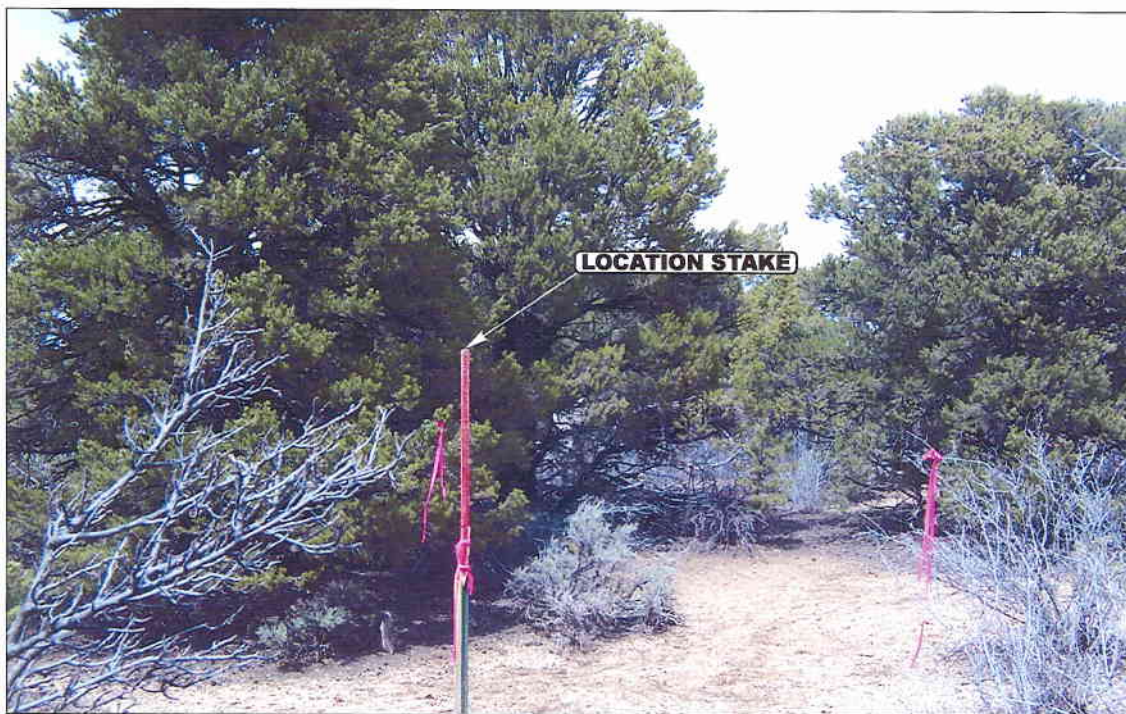


PHOTO: VIEW OF LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

05 10 05
MONTH DAY YEAR

PHOTO

TAKEN BY: J.W.

DRAWN BY: C.H.

REVISED: 05-13-05

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

005

APD RECEIVED: 05/25/2005

API NO. ASSIGNED: 43-047-36752

WELL NAME: NFC ST DUNCAN 14-28

OPERATOR: NATIONAL FUEL (N8060)

CONTACT: ANDREW BUSCH

PHONE NUMBER: 970-858-7490

PROPOSED LOCATION:

SWSW 28 150S 230E

SURFACE: 0591 FSL 0710 FWL

SESW BOTTOM: 0731 FSL 1450 FWL

UINTAH

UNDESIGNATED (2)

LEASE TYPE: 3 - State

LEASE NUMBER: ML-48183

SURFACE OWNER: 3 - State

PROPOSED FORMATION: MRSN

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DRD	7/18/05
Geology		
Surface		

LATITUDE: 39.47842

LONGITUDE: -109.3539

RECEIVED AND/OR REVIEWED:

- ☒ Plat
- ☒ Bond: Fed[] Ind[] Sta[] Fee[]
(No. LPM8756586)
- ☒ Potash (Y/N)
- ☒ Oil Shale 190-5 (B) or 190-3 or 190-13
- ☒ Water Permit
(No. 49-123)
- ☒ RDCC Review (Y/N)
(Date: _____)
- ☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit _____

R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 149-6

Eff Date: 8-26-1981

Siting: 1000' fr 4 bars & 2500' fr concrete walls.

☒ R649-3-11. Directional Drill

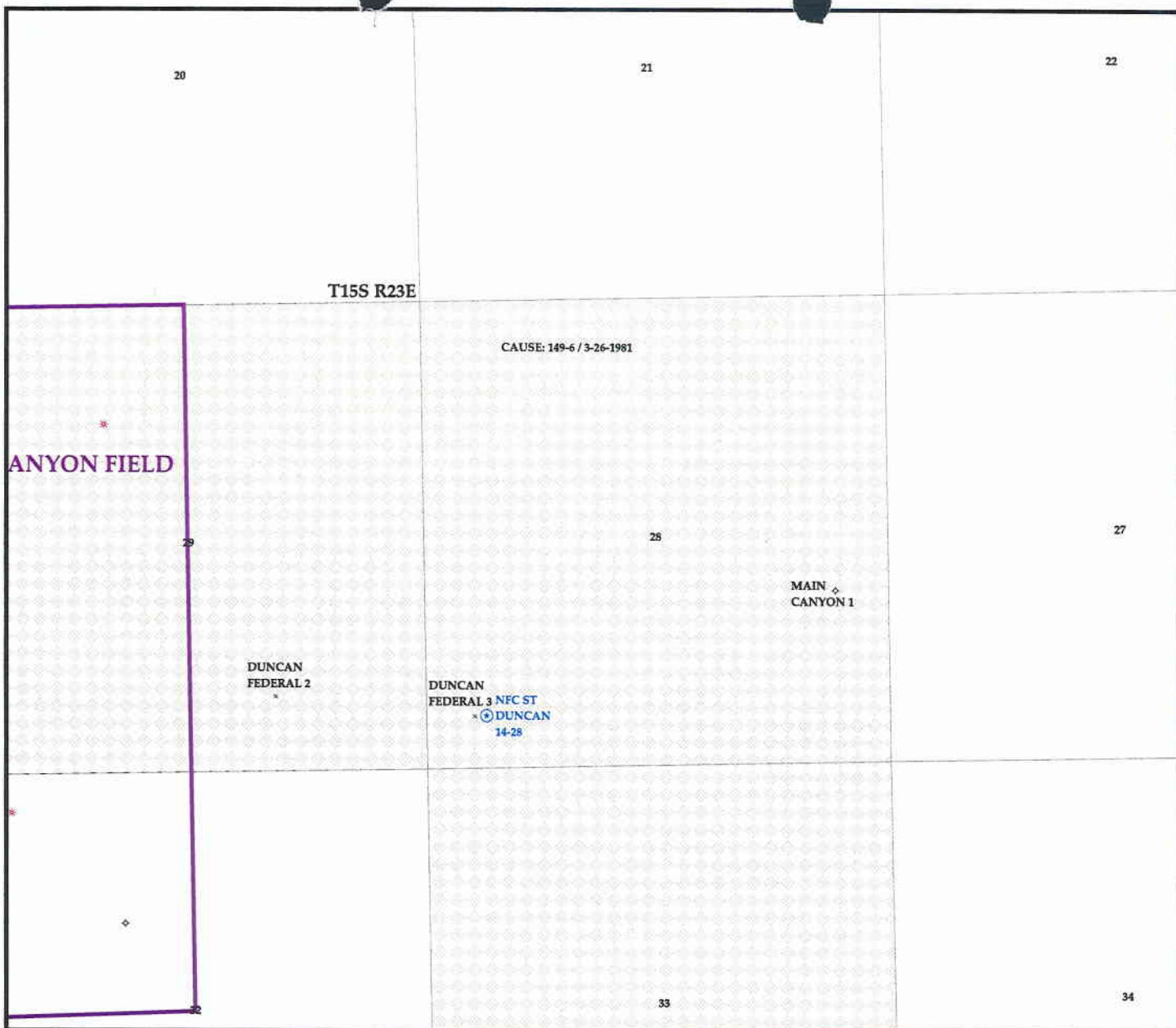
COMMENTS:

Nick's Permit (06-16-05)

STIPULATIONS:

1- STATEMENT OF BASIS

2- Cement St. p#3 - 4 1/2" prod string back to 1300' as proposed



OPERATOR: NATIONAL FUEL CORP (N8060)

SEC: 28 T. 15S R. 23E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

CAUSE: 149-6 / 3-26-1981



Wells

- ✱ GAS INJECTION
- ✱ GAS STORAGE
- ✕ LOCATION ABANDONED
- ⊕ NEW LOCATION
- ⊖ PLUGGED & ABANDONED
- ✱ PRODUCING GAS
- PRODUCING OIL
- ✱ SHUT-IN GAS
- ✱ SHUT-IN OIL
- ✕ TEMP. ABANDONED
- TEST WELL
- △ WATER INJECTION
- ⬆ WATER SUPPLY
- ⬆ WATER DISPOSAL

Units.shp

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Fields.shp

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA WHITNEY
DATE: 27-MAY-2005

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

OPERATOR: NATIONAL FUEL CORPORATION
WELL NAME & NUMBER: NFC STATE DUNCAN 14-28
API NUMBER: 43-047-36752
LOCATION: 1/4, 1/4 SW/SW Sec: 28 TWP: 15S RNG: 23E 710' FWL 591' FSL

Geology/Ground Water:

NFC proposes to set 150 feet of surface casing, 1,300 feet of intermediate casing and 8,754 feet of production casing all cemented to surface. The base of the moderately saline ground water is estimated to be at a depth of 2,700 feet. This location lies on the Green River Formation. The proposed location is in a recharge area for the aquifers of the upper Green River formation and fresh water can be expected to be found in the upper Green River. A search of Division of Water Rights records indicates no water wells within a 10,000 foot radius of the proposed location. The proposed casing and cementing program should adequately protect recharge and any useable sources of ground water.

Reviewer: Brad Hill **Date:** 06-29-2005

Surface:

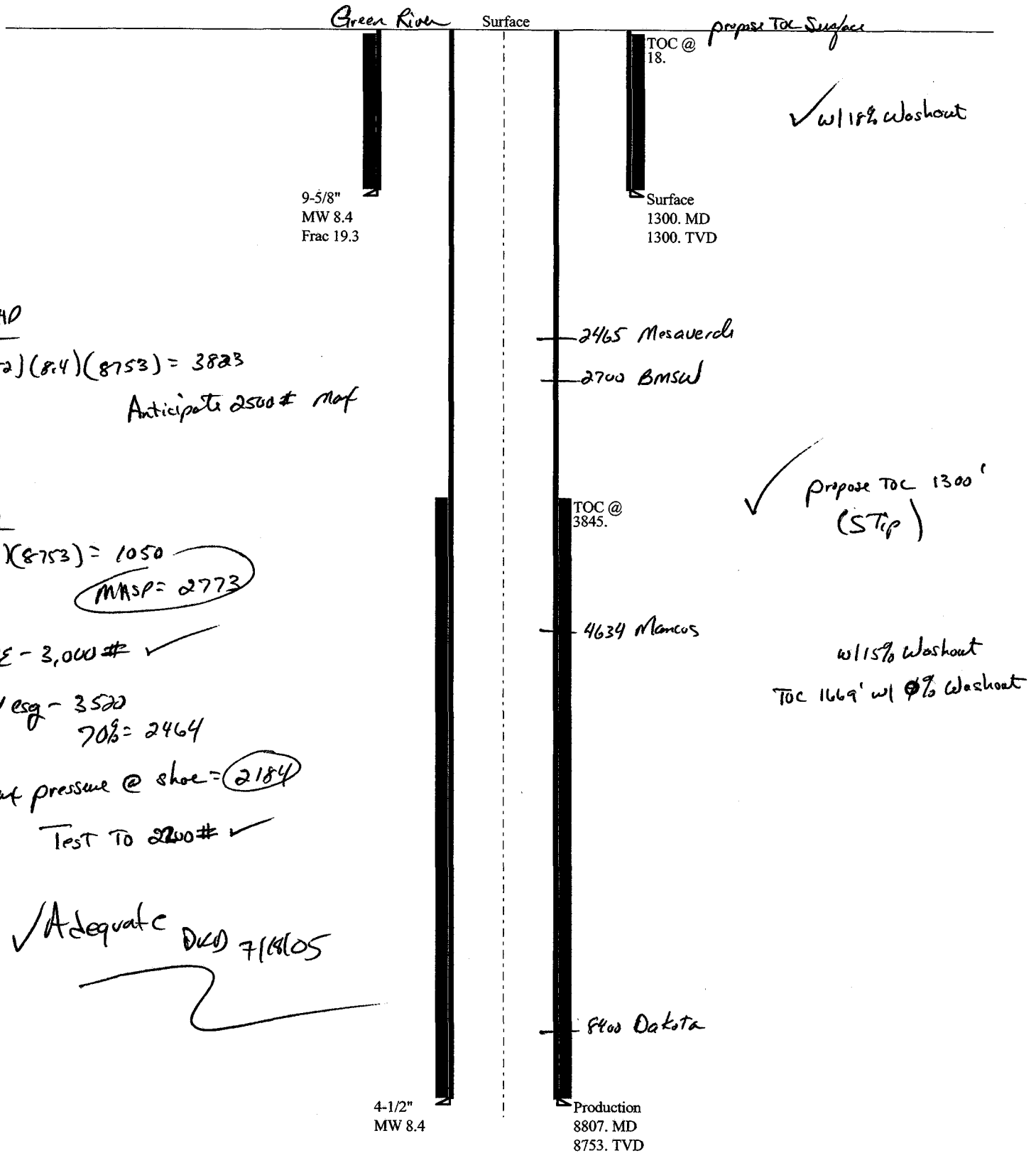
The predrill investigation of the surface was performed on 06/16/05. Surface and minerals for this well are owned by the State of Utah. S.I.T.L.A. and D.W.R. were notified of this investigation on 6/03/05. Floyd Bartlett and Chris Wood were present and represented D.W.R. S.I.T.L.A. did not have a representative present. Mr. Bartlett gave Mr. Busch (NATIONAL) a DWR approved seed mix for this area to be used when the reserve pit is reclaimed. Mr. Bartlett also suggested that no drilling or location construction take place between May 15 and June 15 because of calving elk and fawning deer. This site, and this area has traditionally been summer range for deer, elk and black bear. This is a proposed directional well, with the bottom hole being in the same section, 741 FSL and 1450 FWL. This is necessary because Meadow Canyon is directly over the target zone.

Reviewer: David W. Hackford **Date:** 6/17/05

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

Casing Schematic



ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: NATIONAL FUEL CORPORATION
WELL NAME & NUMBER: NFC STATE DUNCAN 14-28
API NUMBER: 43-047-36752
LEASE: ML-43183 FIELD/UNIT: UNDESIGNATED
LOCATION: 1/4, 1/4 SW/SW Sec: 28 TWP: 15S RNG: 23E 710' FWL 591' FSL
LEGAL WELL SITING: 1000' from unit boundary and 2500' from another well.
GPS COORD (UTM): 641587E 4370959N SURFACE OWNER: STATE OF UTAH.

PARTICIPANTS

DAVID W. HACKFORD (DOGM), ANDREW BUSCH, J.C. THOMPSON (NATIONAL), FLOYD BARTLETT, CHRIS WOOD (DWR).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

SITE IS ON A RELATIVELY LEVEL AREA ON THE POINT OF A SHORT RIDGE ON THE WEST SLOPE OF SEEP RIDGE. SEEP RIDGE RUNS SOUTH TO NORTH AND THIS SITE IS 1.25 MILES SOUTHWEST OF THE TOP OF SEEP RIDGE. MEADOW CANYON, A DEEP, SHARP DRAW HEADS 0.3 MILES TO THE NORTH. MAIN CANYON IS 0.4 MILES TO THE SOUTH. BOTH OF THESE CANYONS RUN TO THE WEST. THE TOP OF THE BOOKCLIFF DIVIDE IS 4.1 MILES TO THE SOUTH. OURAY, UTAH IS 53.4 MILES TO THE NORTHWEST. DRAINAGE AT THIS SITE IS TO THE NORTH.

SURFACE USE PLAN

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 320' BY 200'. PROPOSED ACCESS IS 0.1 MILES.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE ATTACHED MAP FROM GIS DATABASE.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: NEW PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. PIPELINE WILL BE SURVEYED AND PERMITTED IF NECESSARY.

SOURCE OF CONSTRUCTION MATERIAL: ALL CONSTRUCTION MATERIAL WILL BE BORROWED FROM SITE DURING CONSTRUCTION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? (EXPLAIN): UNLIKELY.

WASTE MANAGEMENT PLAN:

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY

COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: SAGEBRUSH, JUNIPER, PINION, DOUGLAS FIR, SERVICEBERRY, MAHOGANY, BITTERBRUSH: DEER, ELK, BLACK BEAR, COUGAR, COYOTE, RODENTS, BOBCAT, RAPTORS, SONGBIRDS.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY LOAM.

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION. SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION SHOULDN'T CAUSE AN INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

RESERVE PIT

CHARACTERISTICS: 200' BY 60' AND 12' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A 12 MIL LINER WILL BE REQUIRED FOR RESERVE PIT.

SURFACE RESTORATION/RECLAMATION PLAN: AS PER S.I.T.L.A.

SURFACE AGREEMENT: AS PER STATE OF UTAH

CULTURAL RESOURCES/ARCHAEOLOGY: SITE HAS BEEN INSPECTED BY GRAND RIVER INSTITUTE.

OTHER OBSERVATIONS/COMMENTS

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A WARM, SUNNY DAY WITH NO SNOW COVER. THIS IS A PROPOSED DIRECTIONAL WELL.

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD
DOGM REPRESENTATIVE

06/16/05 10:00 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>5</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

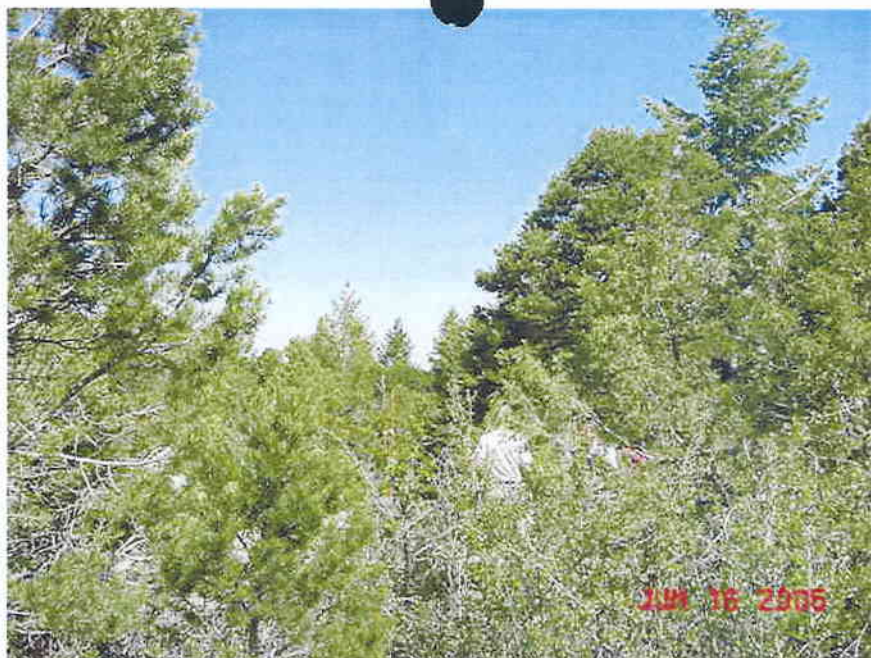
Final Score 25 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.





Well name:

06-05 National Fuel NFC ST Duncan 14-28Operator: **National Fuel Corporation**String type: **Surface**

Project ID:

43-047-36752

Location: **Uintah County****Design parameters:****Collapse**Mud weight: 8.400 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 93 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,300 ft

Cement top: 18 ft

BurstMax anticipated surface
pressure: 1,144 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 1,300 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)Tension is based on buoyed weight.
Neutral point: 1,138 ft

Non-directional string.

Re subsequent strings:Next setting depth: 8,700 ft
Next mud weight: 8.400 ppg
Next setting BHP: 3,796 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,300 ft
Injection pressure 1,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	1300	9.625	36.00	J-55	LT&C	1300	1300	8.796	92.6
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	567	2020	3.562	1300	3520	2.71	41	453	11.06 J

Prepared Clinton Dworshak
by: Utah Div. of Oil & MiningPhone: 801-538-5280
FAX: 801-359-3940Date: July 11, 2005
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 1300 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

06-05 National Fuel NFC ST Duncan 14-28Operator: **National Fuel Corporation**

String type: Production

Project ID:

43-047-36752

Location: Uintah County

Design parameters:**Collapse**Mud weight: 8.400 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 198 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 3,845 ft

BurstMax anticipated surface
pressure: 2,769 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 3,820 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)**Directional well information:**Kick-off point 0 ft
Departure at shoe: 753 ft
Maximum dogleg: 2.5 °/100ft
Inclination at shoe: 0 °

Tension is based on buoyed weight.

Neutral point: 7,708 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	8807	4.5	11.60	N-80	LT&C	8753	8807	3.875	204.1
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3820	6350	1.662	3820	7780	2.04	89	223	2.51 J

Prepared Clinton Dworshak
by: Utah Div. of Oil & MiningPhone: 801-538-5280
FAX: 801-359-3940Date: July 11, 2005
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 8753 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Engineering responsibility for use of this design will be that of the purchaser.

003
AREA CODE 303
PHONE 220-7772

FAX
220-7773

National Fuel Corporation

7979 EAST TUFTS AVENUE PARKWAY, SUITE 815
DENVER, COLORADO 80237-2843



May 20, 2005

To: Utah Division of Oil Gas & Mining
P.O. Box 145801
Salt Lake City 84114-5801

Re: **REQUEST FOR EXCEPTION TO RULE R643-2**
National Fuel Corp. APD - Horse Point State #14-28
Sec. 28-T15S-R23E (Horse Point Area)
Uintah County, Utah

Dear Mr. Baza:

This letter is sent to request an exception to Rule R649-3-2-1 for the subject well. National Fuel Corporation chose the subsurface target from seismic data and believes that this location offers the best opportunity for a successful well.

We believe the proposed location complies with other well location requirements and we respectfully request that our proposed exception to R649-3-2-1 be granted. Please feel free to call me at (970) 260-8128 if you have additional concerns.

Yours truly,

Andrew Busch
Vice President
NATIONAL FUEL CORPORATION

RECEIVED

MAY 25 2005

DIV. OF OIL, GAS & MINING

002

AREA CODE 303
PHONE 220-7772

FAX
220-7773

National Fuel Corporation

7979 EAST TUFTS AVENUE PARKWAY, SUITE 815
DENVER, COLORADO 80237-2843



May 20, 2005

Division of Oil, Gas and Mining
State of Utah
Department of Natural Resources
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Attention: Mr. John Baza, Director

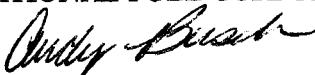
Re: **Duncan-State #14-28 Directional well (TITE HOLE)**

Dear Mr. Baza:

National Fuel Corporation desires to drill the captioned well using a directional survey to a sub-surface target located 140' north and 740' east of the surface location in Section 28-T15S-R23E. The reason for drilling in this manner is that we have a target that is located under a steep hillside so that the drilling pad for a vertical would require a great amount of surface disturbance and earth moving that we believe is undesirable. All drilling will be on the same lease, and the target is located more than 660' from the nearest lease line. Our target has a 100' radius.

Please contact me at (970) 858-7490 if there are any questions.

Yours truly,
NATIONAL FUEL CORPORATION


Andy Busch, Vice President

RECEIVED
MAY 25 2005
DIV. OF OIL, GAS & MINING



ATTN: CLINTON
DWORKSHAK

PROPOSAL

FOR



DUNCAN STATE #14-28

FROM SURFACE LOCATION:

UNITAH COUNTY, UTAH

WELL FILE: DRAFT

June 2, 2005

PRECISION ENERGY SERVICES USA, INC.
DRILLING & EVALUATION
7090 Barton Drive
Casper, Wyoming 82604
Phone: (307) 577-8875 Fax: (307) 577-9182

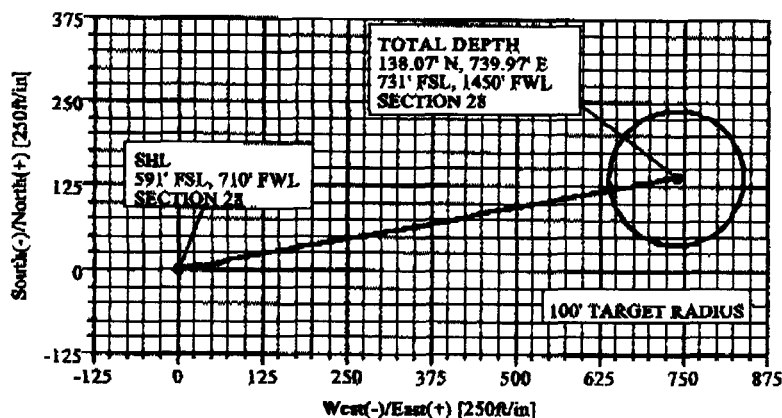
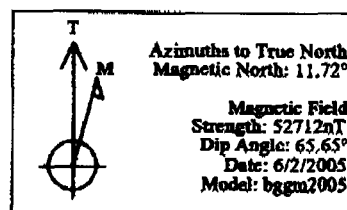
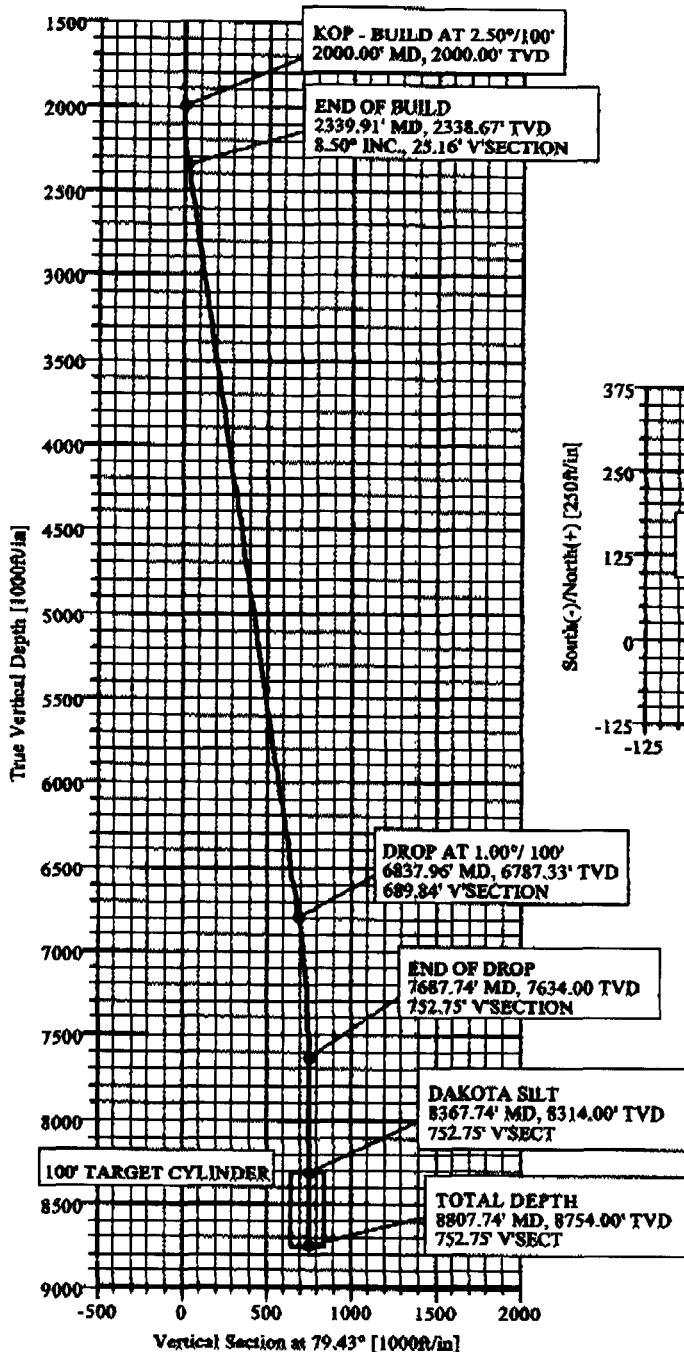
RECEIVED
JUL 11 2005
DIV. OF OIL, GAS & MINING



DUNCAN STATE #14-28
SEC 28 T15S R23E
591' FSL, 710' FWL
UNITAH COUNTY, UTAH

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	IFace	VSec	Target
1	0.00	0.00	79.43	0.00	0.00	0.00	0.00	0.00	0.00	
2	2000.00	0.00	79.43	2000.00	0.00	0.00	0.00	0.00	0.00	KOP
3	2339.91	8.50	79.43	2338.67	4.61	24.73	2.30	79.43	25.16	EOB
4	6837.96	8.50	79.43	6787.33	126.53	678.14	0.00	0.00	689.84	DROP
5	7687.74	0.00	79.43	7634.00	138.07	739.97	1.00	180.00	752.75	EOD
6	8807.74	0.00	79.43	8754.00	138.07	739.97	0.00	79.43	752.75	TD



DRILLING & EVALUATION SERVICES

COMPANY: NATIONAL FUEL CORPORATION

WELL NAME: DUNCAN STATE #14-28
LOCATION: UNITAH COUNTY, UTAH
FILE: DRAFT
PROPOSAL/COMPLETION: PROPOSAL
DATE: JUNE 2/05
PREPARED BY: RDW

PRECISION ENERGY SERVICES

Client : NATIONAL FUEL CORPORATION
 Well Name : DUNCAN STATE #14-28
 Location : UNITAH COUNTY, UTAH

Page : 1 of 3
 Date : 6/2/2005
 File : DRAFT

Gr Elevation : 7722.00
 Vertical Section Calculated Along Azimuth 79.43°
 All Bearings Are Along True North

MD ft	Inc deg	Azi deg	TVD ft	North ft	East ft	V'Sect ft	D'Leg °/100	Build °/100	Turn °/100
KOP - BUILD AT 2.50°/ 100'									
2000.00	0.00	79.43	2000.00	0.00	0.00	0.00	0.00	0.00	0.00
2100.00	2.50	79.43	2099.97	0.40	2.14	2.18	2.50	2.50	0.00
2200.00	5.00	79.43	2199.75	1.60	8.57	8.72	2.50	2.50	0.00
2300.00	7.50	79.43	2299.14	3.60	19.27	19.61	2.50	2.50	0.00
END OF BUILD									
2339.91	8.50	79.43	2338.67	4.61	24.73	25.16	2.50	2.50	0.00
2400.00	8.50	79.43	2398.10	6.24	33.46	34.04	0.00	0.00	0.00
MRS AVERDE									
2467.65	8.50	79.43	2465.00	8.08	43.29	44.04	0.00	0.00	0.00
2500.00	8.50	79.43	2497.00	8.95	47.99	48.82	0.00	0.00	0.00
2600.00	8.50	79.43	2595.90	11.66	62.52	63.59	0.00	0.00	0.00
2700.00	8.50	79.43	2694.80	14.37	77.04	78.37	0.00	0.00	0.00
2800.00	8.50	79.43	2793.70	17.09	91.57	93.15	0.00	0.00	0.00
2900.00	8.50	79.43	2892.61	19.80	106.09	107.93	0.00	0.00	0.00
3000.00	8.50	79.43	2991.51	22.51	120.62	122.70	0.00	0.00	0.00
3100.00	8.50	79.43	3090.41	25.22	135.15	137.48	0.00	0.00	0.00
3200.00	8.50	79.43	3189.31	27.93	149.67	152.26	0.00	0.00	0.00
3300.00	8.50	79.43	3288.21	30.64	164.20	167.03	0.00	0.00	0.00
3400.00	8.50	79.43	3387.12	33.35	178.73	181.81	0.00	0.00	0.00
3500.00	8.50	79.43	3486.02	36.06	193.25	196.59	0.00	0.00	0.00
3600.00	8.50	79.43	3584.92	38.77	207.78	211.37	0.00	0.00	0.00
3700.00	8.50	79.43	3683.82	41.48	222.31	226.14	0.00	0.00	0.00
3800.00	8.50	79.43	3782.73	44.19	236.83	240.92	0.00	0.00	0.00
3900.00	8.50	79.43	3881.63	46.90	251.36	255.70	0.00	0.00	0.00
4000.00	8.50	79.43	3980.53	49.61	265.89	270.47	0.00	0.00	0.00
4100.00	8.50	79.43	4079.43	52.32	280.41	285.25	0.00	0.00	0.00
4200.00	8.50	79.43	4178.33	55.03	294.94	300.03	0.00	0.00	0.00
4300.00	8.50	79.43	4277.24	57.74	309.47	314.81	0.00	0.00	0.00
4400.00	8.50	79.43	4376.14	60.45	323.99	329.58	0.00	0.00	0.00
4500.00	8.50	79.43	4475.04	63.16	338.52	344.36	0.00	0.00	0.00
SEGO									
4504.00	8.50	79.43	4479.00	63.27	339.10	344.95	0.00	0.00	0.00
4600.00	8.50	79.43	4573.94	65.87	353.04	359.14	0.00	0.00	0.00
CASTLEGATE									
4645.56	8.50	79.43	4619.00	67.11	359.66	365.87	0.00	0.00	0.00
MANCOS									
4660.72	8.50	79.43	4634.00	67.52	361.87	368.11	0.00	0.00	0.00
4700.00	8.50	79.43	4672.85	68.58	367.57	373.91	0.00	0.00	0.00
4800.00	8.50	79.43	4771.75	71.29	382.10	388.69	0.00	0.00	0.00
4900.00	8.50	79.43	4870.65	74.00	396.62	403.47	0.00	0.00	0.00

PRECISION ENERGY SERVICES

Client : NATIONAL FUEL CORPORATION
 Well Name : DUNCAN STATE #14-28
 Location : UNITAH COUNTY, UTAH

Page : 2 of 3
 Date : 6/2/2005
 File : DRAFT

Gr Elevation : 7722.00
 Vertical Section Calculated Along Azimuth 79.43°
 All Bearings Are Along True North

MD ft	Inc deg	Azi deg	TVD ft	North ft	East ft	V'Sect ft	D'Leg °/100	Build °/100	Turn °/100
5000.00	8.50	79.43	4969.55	76.71	411.15	418.25	0.00	0.00	0.00
5100.00	8.50	79.43	5068.45	79.42	425.68	433.02	0.00	0.00	0.00
5200.00	8.50	79.43	5167.36	82.13	440.20	447.80	0.00	0.00	0.00
5300.00	8.50	79.43	5266.26	84.84	454.73	462.58	0.00	0.00	0.00
5400.00	8.50	79.43	5365.16	87.55	469.26	477.35	0.00	0.00	0.00
MANCOS "B"									
5419.05	8.50	79.43	5384.00	88.07	472.02	480.17	0.00	0.00	0.00
5500.00	8.50	79.43	5464.06	90.27	483.78	492.13	0.00	0.00	0.00
5600.00	8.50	79.43	5562.96	92.98	498.31	506.91	0.00	0.00	0.00
5700.00	8.50	79.43	5661.87	95.69	512.84	521.69	0.00	0.00	0.00
5800.00	8.50	79.43	5760.77	98.40	527.36	536.46	0.00	0.00	0.00
5900.00	8.50	79.43	5859.67	101.11	541.89	551.24	0.00	0.00	0.00
6000.00	8.50	79.43	5958.57	103.82	556.41	566.02	0.00	0.00	0.00
6100.00	8.50	79.43	6057.48	106.53	570.94	580.79	0.00	0.00	0.00
6200.00	8.50	79.43	6156.38	109.24	585.47	595.57	0.00	0.00	0.00
6300.00	8.50	79.43	6255.28	111.95	599.99	610.35	0.00	0.00	0.00
6400.00	8.50	79.43	6354.18	114.66	614.52	625.13	0.00	0.00	0.00
6500.00	8.50	79.43	6453.08	117.37	629.05	639.90	0.00	0.00	0.00
6600.00	8.50	79.43	6551.99	120.08	643.57	654.68	0.00	0.00	0.00
6700.00	8.50	79.43	6650.89	122.79	658.10	669.46	0.00	0.00	0.00
6800.00	8.50	79.43	6749.79	125.50	672.63	684.23	0.00	0.00	0.00
DROP AT 1.00°/ 100'									
6837.96	8.50	79.43	6787.33	126.53	678.14	689.84	0.00	0.00	0.00
6900.00	7.88	79.43	6848.74	128.15	686.83	698.68	1.00	-1.00	0.00
7000.00	6.88	79.43	6947.91	130.50	699.45	711.52	1.00	-1.00	0.00
7100.00	5.88	79.43	7047.29	132.54	710.37	722.63	1.00	-1.00	0.00
7200.00	4.88	79.43	7146.85	134.26	719.58	732.00	1.00	-1.00	0.00
7300.00	3.88	79.43	7246.56	135.66	727.08	739.63	1.00	-1.00	0.00
7400.00	2.88	79.43	7346.38	136.74	732.87	745.52	1.00	-1.00	0.00
7500.00	1.88	79.43	7446.30	137.50	736.95	749.67	1.00	-1.00	0.00
7600.00	0.88	79.43	7546.26	137.94	739.31	752.07	1.00	-1.00	0.00
END OF DROP									
7687.74	0.00	79.43	7634.00	138.07	739.97	752.75	1.00	-1.00	0.00
7700.00	0.00	79.43	7646.26	138.07	739.97	752.75	0.00	0.00	0.00
7800.00	0.00	79.43	7746.26	138.07	739.97	752.75	0.00	0.00	0.00
FRONTIER									
7869.74	0.00	79.43	7816.00	138.07	739.97	752.75	0.00	0.00	0.00
7900.00	0.00	79.43	7846.26	138.07	739.97	752.75	0.00	0.00	0.00
8000.00	0.00	79.43	7946.26	138.07	739.97	752.75	0.00	0.00	0.00
8100.00	0.00	79.43	8046.26	138.07	739.97	752.75	0.00	0.00	0.00
8200.00	0.00	79.43	8146.26	138.07	739.97	752.75	0.00	0.00	0.00
8300.00	0.00	79.43	8246.26	138.07	739.97	752.75	0.00	0.00	0.00

PRECISION ENERGY SERVICES

Client : NATIONAL FUEL CORPORATION
 Well Name : DUNCAN STATE #14-28
 Location : UNITAH COUNTY, UTAH

Page : 3 of 3
 Date : 6/2/2005
 File : DRAFT

Gr Elevation : 7722.00
 Vertical Section Calculated Along Azimuth 79.43°
 All Bearings Are Along True North

MD ft	Inc deg	Azi deg	TVD ft	North ft	East ft	V'Sect ft	D'Leg °/100	Build °/100	Turn °/100
DAKOTA SILT									
8367.74	0.00	79.43	8314.00	138.07	739.97	752.75	0.00	0.00	0.00
8400.00	0.00	79.43	8346.26	138.07	739.97	752.75	0.00	0.00	0.00
DAKOTA									
8453.74	0.00	79.43	8400.00	138.07	739.97	752.75	0.00	0.00	0.00
8500.00	0.00	79.43	8446.26	138.07	739.97	752.75	0.00	0.00	0.00
CEDER MEN.									
8551.74	0.00	79.43	8498.00	138.07	739.97	752.75	0.00	0.00	0.00
8600.00	0.00	79.43	8546.26	138.07	739.97	752.75	0.00	0.00	0.00
MORRISON									
8607.74	0.00	79.43	8554.00	138.07	739.97	752.75	0.00	0.00	0.00
8700.00	0.00	79.43	8646.26	138.07	739.97	752.75	0.00	0.00	0.00
8800.00	0.00	79.43	8746.26	138.07	739.97	752.75	0.00	0.00	0.00
TOTAL DEPTH									
8807.74	0.00	79.43	8754.00	138.07	739.97	752.75	0.00	0.00	0.00

Bottom Hole Closure 752.75ft Along Azimuth 79.43°

From: Ed Bonner
To: Whitney, Diana
Date: 8/25/2005 10:37:49 AM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

Enduring Resources, LLC

Archy Bench 12-23-11-16
Archy Bench 12-23-12-16
Archy Bench 12-23-13-16
Archy Bench 12-23-21-16
Archy Bench 12-23-22-16
Archy Bench 12-23-31-16
Archy Bench 12-23-42-16

Medallion Exploration

Atchee State 20-12-25
Atchee State 1-29-12-25
Atchee State 2-29-12-25
Atchee Ridge 32-12-25
Seep Canyon State 30-12-25

National Fuel Corporation

NFC State Duncan #14-28 ✓
NFC Horse Point State #11-6
NFC Westwater State #22-32

Westport Oil & Gas Company

State 920-36J
State 920-36K
State 920-36L
State 920-36M
State 920-36N

If you have any questions regarding this matter please give me a call.

CC: Garrison, LaVonne; Hill, Brad; Hunt, Gil

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 25, 2005

National Fuel Corporation
7979 E Tufts Ave., #815
Denver, CO 80237

Re: NFC State Duncan 14-28 Well, 591' FSL, 710' FWL, SW SW, Sec. 28,
T. 15 South, R. 23 East, Bottom Location 731' FSL, 1450' FWL, SE SW,
Sec. 28, T. 15 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36752.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gil Hunt".
for Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

Operator: National Fuel Corporation
Well Name & Number NFC State Duncan 14-28
API Number: 43-047-36752
Lease: ML-43183

Location: SW SW Sec. 28 T. 15 South R. 23 East
Bottom Location: SE SW Sec. 28 T. 15 South R. 23 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

5. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

Page 2
43-047-36752
August 25, 2005

7. Cement volume for the 4 1/2" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 1300' as proposed in the submitted drilling plan.

From: "andy busch" <abusch@national-fuel.com>
To: "Diana Mason" <dianawhitney@utah.gov>
Date: 10/24/2006 2:59:27 PM
Subject: Re: Expired APDs

Hi Diana,
Both are in the mail today.

----- Original Message -----

From: "Diana Mason" <dianawhitney@utah.gov>
To: "andy busch" <abusch@national-fuel.com>
Sent: Monday, October 23, 2006 7:43 AM
Subject: Re: Expired APDs

> A sundry and extension form.
>
> >>> "andy busch" <abusch@national-fuel.com> 10/23/2006 7:28 AM >>>
> Hi Diana,
>
> We would like to extend the NFC Horse Point State #11-6 and let the
> #14-28
> expire. What do I need to do on my end to extend the #11-6?
>
> Thanks,
> Andy Busch
> National Fuel Corporation
> Office (970)858-7490
> Cell (970)260-8128
>
>

> ----- Original Message -----

> From: "Diana Mason" <dianawhitney@utah.gov>
> To: "andy busch" <abusch@national-fuel.com>
> Sent: Thursday, October 19, 2006 11:53 AM
> Subject: Fwd: Expired APDs
>
>

> > Andy,
> >
> > I need to know if National Fuel want's to extend these permits. If
> > I
> > don't hear back from you by 10/26 I will rescind both APDs.
> >
> > Thanks,
> > Diana
> >
> > >>> Diana Whitney 10/2/2006 12:03:16 PM >>>
> >
> > Andy,
> >
> > NFC Horse Point St 11-6 and the NFC St Duncan 14-28 expired on 8/25
> >
> > Diana



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

October 31, 2006

National Fuel Corporation
7979 E Tufts Ave. #815
Denver, CO 80237

Re: APD Rescinded –NFC St Duncan 14-28 Sec. 28 T. 15 R. 23E
Uintah County, Utah API No. 43-047-36752

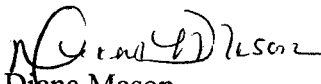
Dear Mr. Busch:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on August 25, 2005. On October 24, 2006, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 24, 2006.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Engineering Technician

cc: Well File
SITLA, Ed Bonner